



*This is a summarised version of 3i's full policy.*

# Global Anti-bribery policy

December 2015

This policy applies to all those who work for, act on behalf of or represent 3i. This includes full-time and part-time employees, as well as directors and other officers, temporary staff, contractors and consultants at all our business locations around the world ('3i staff').

References throughout this Policy to the 'Portal' are to 3i's global internal web-based knowledge system which is accessible by all 3i staff and the 'HR Portal' is the HR section of the Portal

## Our policy

We will maintain high standards of ethical behaviour in all our business interactions. Accordingly, we will not offer, pay or accept bribes. This policy cannot address every situation and is not a substitute for exercising good judgement and common sense about what is right. You must follow the spirit of this policy, not just the letter.

3i is also committed to working only with third parties whose standards are substantively consistent with our own. This includes our intermediaries and advisers.

As part of our approach to responsible investment, we expect businesses in which we invest to commit to avoiding bribery and to comply with anti-bribery laws applicable to their business.

## Why does 3i have a policy?

Bribery, or even the suggestion of bribery, may seriously damage 3i's reputation and affect our ability to do business. A bribe involves offering or giving money or anything else of value to any person to improperly influence an outcome, to gain an advantage or in return for favourable treatment. The person receiving the bribe will often be induced to act (or fail to take action) in a manner which is illegal, unethical or an abuse of a position of power or trust. Bribery is a crime in most countries. Many countries have laws that prohibit bribery even when it is committed outside that country.

The consequences of not complying with this policy can be very serious including damage to 3i's and your own reputation, significant fines and penalties, and even criminal liability for individuals and 3i.

Any failure to comply with this policy and its supporting policies will be investigated and appropriate action taken. Breach of this policy is a ground for discipline, up to and including dismissal.

You will be asked to confirm annually that you have complied with this policy and any supporting policies and procedures. Compliance with this policy by 3i staff will also form part of Internal Audit reviews and Group Compliance monitoring programmes. Internal Audit and Group Compliance findings are reviewed by senior management and the Board on a regular basis.

## Your obligations

You must never:

- Offer, give or receive – directly or indirectly – any payment, benefit or gift which is intended to be, or may be construed as, a bribe. This includes offering or giving money or anything else of value to any person, in return for favourable treatment, to improperly influence a business outcome or to gain a business advantage for 3i or its portfolio businesses.
- Accept anything of value, if it might compromise your independence or judgement or create a conflict of interest or give the appearance of doing so.

You must always:

- Comply with 3i's Core Values and adhere to the highest levels of honesty, integrity and ethics at all times when conducting business for 3i. If 3i's standards are higher than the laws relevant to you in your country, you must follow 3i's standards.
- Report any breaches or potential breaches of this policy, even if the breach does not relate directly to you. It is unacceptable to ignore breaches that come to your attention. You may report breaches to your manager, Group Compliance, an in-house lawyer or by using the independent telephone service managed by Expolink. You can contact Expolink free from any phone in your country, at any time of night or day, 7 days a week. More detail on how to report a concern can be found at the end of this policy.

This policy provides guidance for certain types of business activity below. In some cases you are referred to more detailed internal procedures that you will need to read in order to understand fully what is required.

## Duties of managers

Managers are expected to encourage ethical conduct and to lead by example. It is part of each manager's responsibility to create and foster a culture of compliance.

Managers must:

- Provide leadership and support to their teams to understand the requirements of this policy and how to apply them in practice.
- Monitor compliance with this policy by the people they supervise.
- Use reasonable care to monitor third parties acting on behalf of 3i to ensure that they work in a manner consistent with this policy.
- Enforce this policy consistently, including taking appropriate disciplinary action.
- Support 3i staff who, in good faith, raise questions or concerns.
- Assess adherence to this policy by 3i staff when evaluating and rewarding them.

## Gifts and hospitality

The exchange of legitimate gifts and hospitality can build goodwill in business relationships. However, you (and your connected persons) must never offer or accept a gift or hospitality to or from 3i business contacts if it may improperly influence a business decision, impair independence or judgement or create a sense of obligation or if there is a risk it could be misconstrued or misinterpreted by others as a bribe.

You must never:

- Solicit or actively seek gifts or hospitality.

- Offer or accept gifts or hospitality in return for a specific decision being made (or not made); to gain influence; which generally places you under a sense of obligation to the other person or that might create a conflict of interest for 3i or its staff.
- Offer or accept gifts of cash or cash equivalent (e.g. vouchers) or a gift to or from someone with whom you are negotiating.
- Offer or accept gifts or hospitality of an inappropriate or offensive nature or anything that would embarrass you, 3i or its portfolio businesses if publicly disclosed.
- Offer or accept hospitality or gifts that are extravagant. 3i's Gifts and Hospitality Rules provide more guidance on extravagance.

You must:

- Comply with 3i's Gifts and Hospitality Rules. These may require you to obtain approval before offering or accepting gifts or hospitality and/or to record them on gifts registers, depending on the value of the gift or hospitality offered or to be accepted.
- Understand whether there are any legal or other restrictions, such as the recipient's corporate policies, that may prevent the potential recipient from accepting gifts or hospitality, particularly when dealing with government or public officials.
- Be cautious when offering or accepting hospitality to or from someone with whom you are negotiating. Normal business lunches and dinners are, however, usually acceptable in these circumstances. You are not permitted to offer to or accept gifts from someone with whom you are negotiating.
- Be present with those you have invited to a hospitality event or with those who have invited you.
- Only pay or reimburse travel, accommodation and other expenses of third parties who attend events held by 3i if the expenses are reasonable. No friends or family members can travel at 3i's expense.
- Report it to your manager and Group Compliance if you suspect that you have been offered a gift with corrupt intent.

3i staff should refer to 3i's detailed Gifts and Hospitality Rules for more information which can be accessed through the Group Compliance section of the Portal.

## Facilitation payments

3i will not make facilitation payments and we will not allow others who work for 3i or provide services to 3i to make them on 3i's behalf.

### What are 'facilitation' or 'grease' payments?

These are payments, typically involving small sums, to government or public officials to obtain or speed up routine services to which 3i is otherwise legally entitled, such as issuing permits or immigration controls. These are bribes. Whilst these are allowed in limited circumstances under the US Foreign Corrupt Practices Act, they are illegal under the UK Bribery Act and in most other jurisdictions. Facilitation payments do not include fees required to be paid by law (such as the payment of a filing fee for a legal document). Nor do they include legitimate fees which are payable for a speedy or expedited service provided by governments e.g. a published amount to obtain a visa or a new passport more quickly from a consulate.

You must not:

- Pay or authorise a facilitation payment.

- Allow a third party to pay a facilitation payment on 3i's behalf.

3i recognises that in some countries, the liberty or safety of you or your family could be at risk if you do not make a facilitation payment that is demanded of you. 3i will support you if you make such a payment in the belief that you or your family will be at risk if you do not pay. In such cases, you may make the payment but must record the payment and circumstances, and report it promptly to your manager and Group Compliance.

You must:

- Consider whether you need to allow extra travel time or discuss with your manager whether you should upgrade to a flight which provides fast track immigration when travelling to jurisdictions where facilitation payments are frequently demanded at immigration.
- Request the official to provide a formal receipt or written confirmation of the legality of a payment if you have doubts about a payment you have been asked to make. If practicable, obtain prior approval from your manager for any such payments and consult Group Compliance. If prior approval is not practicable, record the payment and circumstances and report it promptly to your manager and Group Compliance.
- Ensure that legitimate fees paid for a speedy service reflect a business need and are transparent and open. You should obtain an official receipt and ensure that the payment is properly recorded in our financial records.

## Relationships with third party agents and advisers

We will not permit a third party to receive, offer or pay bribes or make facilitation payments on 3i's behalf. We will only engage third parties if we believe they will act with standards substantively consistent with our own.

The term 'third party' applies to any placement agent, consultant, adviser, agent, contractor, supplier, service provider or other intermediary engaged or used by 3i.

You must:

- Be alert where:
  - Any third party suggests that an amount of money is needed to "seal the deal," "get the business" etc. or that they can circumvent "red tape" or "expedite" normal business processes.
  - Any third party requests an unusual up-front payment or performance-related bonus or commission.
  - Any third party requests payment in cash or in another country (not connected to the services being provided) or through unusual or convoluted means, such as to an off-shore numbered account.
  - Any third party is being considered due to his connections with, or due to recommendations from, a public official.
  - The country where the services are to be carried out, or the sector to which the services relate, has a reputation for bribery.

Other 'red flags' are identified in the Integrity Due Diligence procedure to which is accessible through the Group Compliance section of the Portal 3i staff should refer.

- Determine whether any third party proposed to be engaged by you falls within the scope of the Integrity Due Diligence procedure. This procedure does not need to be followed on all engagements by 3i. The Integrity Due Diligence procedure identifies those third parties who are likely to present higher bribery risks because of the nature of the

services they are providing to 3i. In such cases, the procedure requires you to, in particular:

- Have a clear and proper commercial rationale for the engagement.
  - Assess the risk profile of the proposed engagement and complete a specified level of due diligence to check the third party's experience, background and reputation before entering into a relationship.
  - Satisfy yourself that the third party is not engaged in any corrupt practices and avoid engaging any third party who has a reputation for corruption or improper conduct.
  - Understand what the third party will actually do in return for the money 3i pays them, and that all the money can be properly accounted for.
  - Ensure there is no conflict of interest that would make the engagement or involvement of the third party inappropriate.
  - Depending on the nature of the risk presented by the engagement, ensure there is a written contract in place which either contains provisions to address bribery or requires the third party to act consistently with 3i's anti-bribery policy.
- Report any behaviour by third parties that is inconsistent with this policy to your manager, who will determine what action is necessary.

3i staff should refer to the Integrity Due Diligence procedure for more detail which is accessible through the Group Compliance section of the Portal.

## Political contributions and public officials

You must not use either your own or 3i funds, resources or facilities to make any payment or contribution to influence, reward or incentivise any public or government official who can directly or indirectly decide whether to invest in our funds, transact with us or influence any decision that would benefit 3i or our portfolio businesses.

You must not:

- Use 3i funds to make political contributions to political parties or organisations or election candidates.
- Use 3i funds or your own funds to make certain political donations in the United States, due to US restrictions that apply to 3i's fund management activities.

You must:

- Be cautious when dealing with public or government officials. Such officials can make or influence decisions that could benefit business, and can be susceptible to bribery.
- Ensure that all interactions with political, government and public officials are conducted in a manner that adheres to this policy and [3i Core Values](#) and comply with all relevant laws. This includes any lobbying by 3i.
- Seek the approval of the Chairman or Chief Executive of 3i before engaging a current or former politician, government or public official to act as agent or consultant for 3i.

3i staff should refer to 3i's internal policy on Political contributions and activity for more detail which is accessible through the Group Compliance section of the Portal.

## Charitable and community support

3i supports social enterprise and the communities in which we operate. Community support contributions, whether to community organisations or other persons, including charitable

donations and grants for research and sponsorship (**‘Charitable Contributions’**), made with 3i funds or resources must be appropriate and genuine.

You must not:

- Make a Charitable Contribution as an incentive or reward for obtaining or retaining an advantage for or influencing a decision favourable to 3i or our portfolio businesses or for any other improper purpose.

You must:

- Seek the approval of the Chief Executive before 3i makes a Charitable Contribution.
- Deny any request for a Charitable Contribution by any third party who has promised or implied the possibility of a benefit or issued a threat in connection with that request.
- Carry out due diligence on the body to which the Charitable Contribution is to be paid to ensure that there is no conflict of interest for 3i and the funds will not be applied for another purpose.

3i staff should refer to the Charity pages on the Group Communications and Marketing section of the Portal.

## Investment activities

3i is committed to investing responsibly and we expect responsible business conduct among our portfolio companies. We expect businesses in which we invest to commit to avoiding bribery and to comply with anti-bribery laws applicable to their business.

You must:

- Carry out an initial high level assessment of each potential investment at an early stage, in accordance with 3i’s Responsible Investment policy, to assess the company’s inherent bribery risk profile and, accordingly, identify what further due diligence is required. The extent of any further due diligence will depend on the nature of the investment and its risk profile. Due diligence should identify whether the company is able to meet the minimum standards for business integrity specified in 3i’s Responsible Investment policy. For a company with an inherently high bribery risk profile, due diligence should also attempt to identify any historic or current bribery incidents. If, due to exceptional circumstances, you are unable to complete further due diligence pre-investment in a company with an inherently high bribery risk profile, you must seek prior clearance (see below) to proceed. You must carry out the necessary further due diligence soon after completion of the investment and take action to follow up any issues identified.
- Deal with, or have an agreed plan to deal with, any bribery incidents that are discovered before 3i invests. 3i will make an informed judgement based on our assessment of the facts. 3i will only consider investing where remediation is feasible, where an appropriate remedial action plan is implemented as a term of the investment and with appropriate commitments from the management team and/or shareholders of the proposed portfolio business. You must obtain prior clearance (see below) before proceeding with such investment.
- 3i recognises that some companies will operate in countries where it is extremely difficult to operate without paying facilitation payments. Potential portfolio companies should not tolerate facilitation payments and should be aiming to eliminate them over time. Potential portfolio companies should permit only payments that are clearly unavoidable after attempts to resist them and require clear documentation of any such payment.

- Obtain prior written clearance, before final Investment Committee, for any investment where (1) 3i's initial high level assessment indicates that a potential investment has a high inherent bribery risk profile but, due to exceptional circumstances, you have been unable to complete the necessary further due diligence required, or (2) bribery incidents have been identified pre-investment and a remedial action plan to address those issues is proposed, backed by appropriate commitments from the management team and/or shareholders. Prior written clearance must be obtained from any member of the Brand and Values Committee (who is not also a member of the Investment Committee) and the relevant member of the Executive Committee for that business line. Any such investments which complete must be recorded on the risk log maintained by Internal Audit.
- Deal with bribery incidents that are discovered in an existing portfolio business in a manner consistent with 3i's approach on new investments. 3i will encourage elimination of bribery and we will use such influence as we have to help achieve this.
- Use our influence to promote the timely adoption and implementation in our portfolio businesses of anti-bribery principles and bribery prevention procedures which are appropriate to their business and the potential bribery risks they face. There is a higher expectation of compliance in investments where 3i and/or funds it manages or advises exercise a higher degree of control. Where a 3i executive is a member of the portfolio company's board of directors but 3i's ability to influence is limited (usually in minority cases), any resistance by a portfolio company or fellow directors to address bribery risks to 3i's satisfaction should be discussed with the relevant in-house lawyer.
- Report any incidents or suspicions of bribery within existing or prospective portfolio businesses to an in-house lawyer or Group Compliance immediately. You must work with them to determine the appropriate course of action.

You must never:

- Disregard suspicions or evidence of bribery in an existing or prospective portfolio business.

Any corporate acquisition made by 3i or joint venture entered into by 3i, where the target vehicle is intended to become a fully integrated subsidiary of the 3i group, will be rigorously assessed and will be expected to be substantively compliant with 3i's own policies and procedures.

3i staff should refer to the Responsible investing section of the Portal for more detail.

## Reporting a concern

You are expected to report any breaches or potential breaches of this policy, even if the breach does not relate directly to you. 3i prohibits any form of retaliation or discrimination against anyone for raising or helping to address a genuine business conduct concern.

Should you have any questions or concerns about this policy or any other unethical behaviour discuss them in the first instance with your manager.

If you feel uncomfortable discussing the concern with your manager, you should report your concerns to any senior 3i person with whom you feel comfortable to have such a conversation e.g. a senior representative from Human Resources, Group Compliance or an in-house lawyer, or you may raise the issue using the independent telephone service managed by Expolink. 3i staff should refer to our procedures on reporting a concern for more detail which are accessible through the Group Compliance section of the Portal.

Anything you raise will be treated confidentially and communicated on a need-to-know basis. You must work with your in-house lawyer or Group Compliance to ensure that the appropriate steps are taken.

If you believe you or anyone else is experiencing retaliation or discrimination, having raised or helped to address a business conduct concern, please report it. Retaliation is a ground for discipline, up to and including dismissal.