

Markit Systems Ltd

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Anti-Bribery, Anti-Fraud, Anti-Corruption and Conflict of Interest Policy

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1. Policy overview

1.1.1 This Anti-Bribery, Anti-Fraud, Anti-Corruption and Conflict of Interest policy exists to set out the responsibilities of Markit Systems Ltd and those who work for them in regards to observing and upholding Markit Systems' zero-tolerance position on bribery, fraud and corruption.

1.1.2 It also exists to act as a source of information and guidance for those working for Markit Systems Ltd. It helps them recognise and deal with bribery, fraud and corruption issues, as well as understand their responsibilities.

1.1.3 Furthermore, this policy exists to detail Markit Systems' stance on Conflicts of Interest and how to manage and avoid them.

1.1.4. In addition, this policy details it's zero tolerance stance for tax evasion and other fraudulent activities.

2. Scope

2.1.1 This policy applies to all employees (whether temporary, or permanent), no matter where they are located (within or outside of the UK). The policy also applies to Officers, Trustees, Board, and/or Committee members at any level.

3. Policy statement

3.1.1 Markit Systems Ltd is committed to conducting business in an ethical and honest manner, and is committed to implementing and enforcing systems that ensure bribery, fraud or corruption is prevented. Markit Systems Ltd has zero-tolerance for bribery, fraud and corrupt activities, including tax evasion, money laundering and aid diversion. Markit Systems Ltd is committed to acting professionally, fairly and with integrity in all business dealings and relationships, in wherever country they operate.

3.1.2 Markit Systems Ltd will constantly uphold all laws relating to anti-bribery, fraud and corruption in all the jurisdictions in which they operate. Markit Systems Ltd is bound by the laws of the UK, including the Bribery Act 2010, in regards to their conduct both at home and abroad.

3.1.3 Markit Systems Ltd recognises that bribery, fraud and corruption are punishable by the relevant law in which the bribery takes place. If Markit Systems Ltd is discovered to have taken part in corrupt or fraudulent activities, the company may be subjected to a significant fine, be excluded from tendering for public contracts, and face serious damage to their reputation. It is with this in mind that Markit Systems Ltd commits to preventing bribery, fraud and corruption in their business, and take their legal responsibilities seriously.

4. Definitions

4.1 Corruption is the misuse of entrusted power for personal gain. This would include dishonest or fraudulent behaviour by those in positions of power, such as managers or government officials. It would include offering, giving and receiving bribes to influence the actions of someone in a position of power or influence, and the diversion of funds for private gain.

4.2 Fraud is knowingly making an untrue or misleading representation with the intention of making a gain for oneself or another or causing a loss, or risk of loss, to another.

4.3 Bribery refers to the act of offering, giving, promising, asking, agreeing, receiving, accepting, or soliciting something of value or of an advantage so to induce or influence an action or decision. A bribe refers to any inducement, reward, or object/item of value offered to another individual in order to gain commercial, contractual, regulatory, or personal advantage. Bribery is not limited to the act of offering a bribe. If an individual is on the receiving end of a bribe and they accept it, they are also breaking the law.

4.4 A facilitation payment is a type of bribe. An example is an unofficial payment or other advantage given to a public official to undertake or speed up the performance of their normal duties.

4.5 A conflict of interest is where an individual has private interests that may or actually do influence the decisions that they make as an employee or representative of an organisation.

4.6 Tax Evasion means an offence of cheating the public revenue or fraudulently evading UK tax, and is a criminal offence. The offence requires an element of fraud, which means there must be deliberate action, or omission with dishonest intent.

4.7 Foreign Tax Evasion means evading tax in a foreign country, provided that the conduct is an offence in that country and would be a criminal offence if committed in the UK. As with tax evasion, the element of fraud means there must be deliberate action, or omission with dishonest intent.

4.8 Tax Evasion Facilitation means being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax (whether UK tax or tax in a foreign country by another person, or aiding, abetting, counselling or procuring the commission of that offence. Tax evasion facilitation is a criminal offence, where it is done deliberately and dishonestly.

5. Bribery

5.1 Bribery is illegal. Employees must not engage in any form of bribery, whether it be directly, passively (as described above), or through a third party (such as an agent or distributor). They must not bribe a foreign public official anywhere in the world. They must not accept bribes to any degree and if they are uncertain about whether something is a bribe or a gift or act of hospitality, they must seek further advice from the company's compliance manager.

6. What is and what is not acceptable

This section of the policy refers to 4 areas:

- 6.1 Gifts and hospitality
- 6.2 Facilitation payments
- 6.3 Political contributions
- 6.4 Charitable contributions

6.1 Gifts and hospitality

6.1.1 Markit Systems Ltd accepts normal and appropriate gestures of hospitality and goodwill (whether given to/received from third parties), so long as the giving or receiving of gifts meets the following requirements:

- It is not made with the intention of influencing the party to whom it is being given, to obtain or reward the retention of a business or a business advantage, or as an explicit or implicit exchange for favours or benefits.
- It is not made with the suggestion that a return favour is expected.
- It is in compliance with local law.
- It is given in the name of the company, not in an individual's name.
- It does not include cash or a cash equivalent (e.g. a voucher or gift certificate).
- It is appropriate for the circumstances (e.g. giving small gifts around Christmas or as a small thank you to a company for helping with a large project upon completion).
- It is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift.
- It is given/received openly, not secretly.
- It is not selectively given to a key, influential person, clearly with the intention of directly influencing them.
- It is not above a certain excessive value, as pre-determined by the company's compliance manager (usually in excess of £100). It is not offered to, or accepted from, a government official or representative or politician or political party, without the prior approval of the company's compliance manager.

6.1.2 Where it is inappropriate to decline the offer of a gift (i.e. when meeting with an individual of a certain religion/culture who may take offence), the gift may be accepted so long as it is declared to the compliance manager, who will assess the circumstances.

6.1.3 Markit Systems Ltd recognises that the practice of giving and receiving business gifts varies between countries, regions, cultures, and religions, so definitions of what is acceptable and not acceptable will inevitably differ for each.

6.1.4 As good practice, gifts given and received should always be disclosed to the compliance manager. Gifts from suppliers should always be disclosed.

6.1.5 The intention behind a gift being given/received should always be considered. If there is any uncertainty, the advice of the compliance manager should be sought.

6.2 Facilitation payments and kickbacks

6.2.1 Markit Systems Ltd does not accept and will not make any form of facilitation payments of any nature. Markit Systems Ltd recognises that facilitation payments are a form of bribery that involves expediting or facilitating the performance of a public official for a routine governmental action. The company recognises that they tend to be made by low level officials with the intention of securing or speeding up the performance of a certain duty or action.

6.2.2 Markit Systems Ltd does not allow kickbacks to be made or accepted. The company recognises that kickbacks are typically made in exchange for a business favour or advantage.

6.2.3 Markit Systems Ltd recognises that, despite their strict policy on facilitation payments and kickbacks, employees may face a situation where avoiding a facilitation payment or kickback may put their/their family's personal security at risk. Under these circumstances, the following steps must be taken:

- Keep any amount to the minimum.
- Ask for a receipt, detailing the amount and reason for the payment.
- Create a record concerning the payment.
- Report this incident to the employee's line manager and the compliance manager.

6.3 Political contributions

6.3.1 Markit Systems Ltd will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates. The company recognises this may be perceived as an attempt to gain an improper business advantage.

6.4 Charitable contributions

6.4.1 Markit Systems Ltd accepts (and indeed encourages) the act of donating to charities – whether through services, knowledge, time, or direct financial contributions (cash or otherwise) – and agrees to disclose all charitable contributions it makes.

6.4.2 Employees must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery.

6.4.3 Markit Systems Ltd will ensure that all charitable donations made are legal and ethical under local laws and practices, and that donations are not offered/made without the approval of the compliance manager.

7. Conflict of Interest

7.1 A conflict of interest may arise if an individual's personal or family interests and/or loyalties conflict with those of Markit Systems Ltd. All staff and associated persons including Directors, and those representing Markit Systems Ltd, have an obligation to act in the best interests of the company.

7.2 An employee, Director, or anyone representing the company, must not derive any financial or other benefit (other than remuneration from the company) from transactions entered into by the company with any third party, without first disclosing such interest to the company and obtaining written approval to proceed from the compliance manager.

7.3 Neither an employee nor anyone representing the company may have a personal interest in any third party engaged in business with Markit Systems Ltd.

7.4 If any staff or associated person has a conflict of interest they must declare it immediately to their Line Manager and to the compliance manager so that appropriate steps can be taken. The compliance manager will then record and communicate to relevant partners if it concerns them.

7.5 If any staff or associated person has declared a conflict of interest they must inform their Line Manager and the compliance manager when the conflict of interest changes, for example if it develops further or ceases to exist.

7.6 If an employee is not sure what to declare, or whether / when their declaration needs to be updated, the employee must seek guidance from the Line Manager or compliance manager.

8. Tax Evasion

8.1 Markit Systems Ltd has a zero tolerance approach to all forms of tax evasion, whether under UK law or under the law of any foreign country.

8.2 Employees and Associates of the Company must not undertake any transactions which:

- (a) cause the Company to commit a tax evasion offence; or
- (b) facilitate a tax evasion offence by a third party who is not an associate of the Company.

8.3 We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter tax evasion facilitation.

8.4 At all times, business should be conducted in a manner such that the opportunity for, and incidence of, tax evasion is prevented.

8.5 Tax evasion is not the same as tax avoidance or tax planning. Tax evasion involves deliberate and dishonest conduct. Tax avoidance is not illegal and involves taking steps, within the law, to minimise tax payable (or maximise tax reliefs).

8.6 Tax means all forms of UK taxation, including but not limited to corporation tax, income tax, value added tax, stamp duty, stamp duty land tax, national insurance contributions (and their equivalents in any non-UK jurisdiction) and includes duty and any other form of taxation (however described).

9. Financial Records, Money Laundering and Insider Trading

9.1 All commercial and business dealings are transparently performed and accurately recorded. There is no actual or attempted participation in money laundering or aid diversion. No confidential information in the supplier's possession regarding Markit Systems Ltd is used to either engage in or support insider trading.

10. Competition and Competitor Information

10.1 All information about Markit Systems' competitors is obtained legitimately and will only be used for legitimate purposes in compliance with all UK competition law and other regulations. No attempt is made at any time to divulge to Markit Systems Ltd any information about Markit Systems' competitors that is confidential to them and not in the public domain.

11. Employee responsibilities

11.1.1 Every employee of Markit Systems Ltd must ensure that they read, understand, and comply with the information contained within this policy, and with any training or other anti-bribery and corruption information they are given.

11.1.2 All employees are equally responsible for the prevention, detection, and reporting of bribery and other forms of corruption. They are required to avoid any activities that could lead to, or imply, a breach of this anti-bribery policy.

11.1.3 If an employee has reason to believe or suspect that an instance of bribery or corruption has occurred or will occur in the future that breaches this policy, they must notify their line manager and the compliance manager.

11.1.4 If any employee breaches this policy, they will face disciplinary action and could face dismissal for gross misconduct. Markit Systems Ltd has the right to terminate a contractual relationship with an employee if they breach this anti-bribery policy.

12. What happens if an employee needs to raise a concern?

This section of the policy covers 3 areas:

- 12.1 How to raise a concern
- 12.2 What should an employee do if they are a victim of bribery or corruption
- 12.3 Protection

12.1 How to raise a concern

12.1.1 If an employee suspects that there is an instance of bribery or corrupt activities occurring in relation to Markit Systems Ltd, they are encouraged to raise their concerns at as early a stage as possible. If an employee is uncertain about whether a certain action or behaviour can be considered bribery or corruption, they should speak with their line manager and the compliance manager.

12.1.2 Markit Systems Ltd will familiarise all employees with its reporting procedures so employees can vocalise their concerns swiftly and confidentially. Please refer to Markit Systems' Disclosure of Malpractice in the Workplace Policy.

12.2 What should an employee do if they are a victim of bribery or corruption

12.2.1 The employee must tell their line manager and compliance manager as soon as possible if they are offered a bribe by anyone, if they are asked to make one, if they suspect that they may be bribed or asked to make a bribe in the near future, or if they have reason to believe that they are a victim of another corrupt activity.

12.3 Protection

12.3.1 If the employee refuses to accept or offer a bribe or they report a concern relating to potential act(s) of bribery or corruption, Markit Systems Ltd understands that they may feel worried about potential repercussions. Markit Systems Ltd will support anyone who raises concerns in good faith under this policy, even if investigation finds that they were mistaken.

12.3.2 Markit Systems Ltd will ensure that no one suffers any detrimental treatment as a result of refusing to accept or offer a bribe or other corrupt activities or because they reported a concern relating to potential act(s) of bribery or corruption.

12.3.3 Detrimental treatment refers to dismissal, disciplinary action, threats, or unfavourable treatment in relation to the concern the individual raised.

12.3.4 If the employee has reason to believe that they have been subjected to unjust treatment as a result of a concern or refusal to accept a bribe, they should inform their line manager or the compliance manager immediately.

13. Training and communication

13.1.1 Markit Systems Ltd will share this policy as part of the induction process for all new employees. Annually employees will be resent this policy, amongst others, and are expected to refamiliarise themselves and comply with all themes.

13.1.2 Markit Systems Ltd will provide relevant anti-bribery, fraud and corruption training to employees, where the company feels knowledge of how to comply with the Bribery Act needs to be enhanced.

14. Record keeping

14.1 Markit Systems Ltd will keep detailed and accurate financial records, and will have appropriate internal controls in place to act as evidence for all payments made. Markit Systems Ltd will declare and keep a written record of the amount and reason for hospitality or gifts accepted and given, and understand that gifts and acts of hospitality are subject to compliance review.

15. Monitoring and reviewing

15.1.1 Markit Systems' compliance manager is responsible for monitoring the effectiveness of this policy and will review the implementation of it on an annual basis. They will assess its suitability, adequacy, and effectiveness.

15.1.2 Any identified need for improvement will be applied as soon as possible. Employees are encouraged to offer their feedback on this policy if they have any suggestions for how it may be improved. Feedback of this nature should be addressed to the compliance manager.

15.1.3 This policy does not form part of an employee's contract of employment and Markit Systems Ltd may amend it at any time so as to improve its effectiveness at combating bribery and corruption.

Policy Approved: