



**For internal use only**

# Anti-Bribery and Corruption Policy

# Anti-Bribery and Corruption Policy

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# Anti-Bribery and Corruption Policy

## 1 Who is covered by the policy?

This policy applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, joint venturers, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as **workers** in this policy).

## 2 Policy Statement

- 2.1 It is our policy to conduct all of our business in an honest and ethical manner. We take a **zero-tolerance** approach to bribery and corruption and 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 bribery.
- 2.2 We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. In particular, we remain bound by the laws of the UK, including the Bribery Act 2010 ("**Bribery Act**"), in respect of our conduct both at home and abroad.
- 2.3 The purpose of this policy is to:
  - a. set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption;
  - b. provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues; and
  - c. form part of the procedures which we have in place to prevent bribery.
- 2.4 Bribery and corruption are punishable for individuals by up to ten years' imprisonment and if EMIS Group was found to have taken part in, or failed to prevent, corruption we could face an unlimited fine, be excluded from tendering for public contracts (including NHS contracts) and face irreparable damage to our reputation. We therefore take our legal responsibilities very seriously.
- 2.5 As part of our ongoing management processes to identify and manage the principal risks to our business, including the achievement and maintenance of ISO certifications in parts of the business, certain bribery and corruption risks have been identified. We have identified that the following risks are relevant across much of our business:
  - a. Workers accepting a bribe or other benefits during normal business transactions to ensure guaranteed business or preferential treatment for our customers, partners, suppliers, joint venturers or contractors, enticement to carry out work outside the staff member's remit or priorities higher than normal procedures would dictate.
  - b. Workers offering a bribe, benefits or favourable terms within a contract, to customers, partners, suppliers, joint venturers, contractors or any third party, to ensure guaranteed repeat business or assurance of a successful bid/tender or to receive preferential treatment.
  - c. Joint venture representatives accepting a bribe or benefits during normal business transactions to ensure guaranteed business or preferential treatment for customers, partners, suppliers, joint venturers or contractors, enticement to carry out work outside the representative's remit or priorities higher than normal procedures would dictate.
  - d. Joint venture representatives offering a bribe, benefits or favourable terms within a contract, to customers, partners, suppliers, joint venturers, contractors or any third party to ensure guaranteed repeat business or assurance of a successful bid/tender or to receive preferential treatment.

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- e. Joint venture representatives, customers, suppliers, partners, contractors not being aware of our policies.
- f. Transactions taking place in higher risk international locations.
- g. Failure by us to put in place adequate procedures to prevent bribery.

2.6 To address the above risks:

- our standard contract terms and conditions contain Bribery Act clauses;
- we maintain this policy to comply with the requirements of the Bribery Act and have subsequently maintained and updated this policy from time to time to ensure that it continues to remain relevant and reflect our current legal requirements;
- with respect to workers in our organisation prior to July 2011, along with the production of this policy, and prior to the Bribery Act coming into force, all staff contracts were amended and a letter of explanation provided to each worker;
- all new staff contracts issued after the Bribery Act came into force also contain appropriate provisions;
- all existing and new employees in UK and international jurisdictions are required to complete our online anti-bribery training course. Training records are maintained;
- the Staff Handbook and the staff induction process was amended accordingly. Related records are maintained; and
- in relation to joint venture representatives, the obligations of the Bribery Act were raised at board level, training was offered and a monthly report was to be given by our liaison with the joint venture. Investment in JVs is now minimal, the ongoing situation with JVs will be monitored in the future.

2.7 For the purposes of this policy “**third party**” means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

### 3 What is bribery?

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage, examples of bribery are shown below:

#### Offering a bribe

You offer a potential client tickets to a major sporting event, but only if they agree to do business with us.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. We may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept your offer.

**Note:** the perception of bribery can be almost as damaging as actual bribery, even without an overt request for others to do business with us there could be a perception that any such offer is made with dishonest intentions and great care should be exercised in sensitive commercial periods, such as during tenders.

#### Receiving a bribe

A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business with them.

It is an offence for a supplier to make such an offer. It would also be an offence for you to accept

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the offer as you would be doing so to gain a personal advantage.

## **Bribing a foreign official**

You arrange for the business to make an additional payment to a foreign official to speed up an administrative process, such as clearing our goods through customs.

The offence of bribing a foreign public official has been committed as soon as the offer is made. This is because it is made to gain a business advantage for us. We may also be found to have committed an offence. Payment of any such facilitation payments is not permitted.

## **4 Gifts and Hospitality**

- 4.1 This policy does not prohibit normal and appropriate hospitality (given or received) to or from third parties.
- 4.2 However, extreme care should still be exercised because contractual arrangements or third party guidelines, especially for public sector third parties, (e.g. NHS, Central Government or MOD codes of practice) may prohibit or limit the ability to give or receive hospitality or other gifts.
- 4.3 The giving or receiving of gifts is not completely prohibited, if **all** the following requirements are met:
- a. it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
  - b. it complies with local law;
  - c. it is given in our name, not in your name;
  - d. it does not include cash or a cash equivalent (such as gift certificates or vouchers);
  - e. it is appropriate in the circumstances. For example, in the UK it is customary for small gifts to be given at Christmas time;
  - f. taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
  - g. it is given openly and transparently, not secretly; and
  - h. you **must** request and receive the **prior written approval** of the Director of Legal and Administrative Services should you wish to either offer gifts to, or accept gifts from, government officials or representatives (including health service and defence workers, and politicians or their parties).
- 4.4 With reference to 4.3(h), in the public sector, the receipt of gifts from suppliers (such as EMIS) is normally prohibited, although in some cases *low cost branded promotional aids may be accepted*<sup>1</sup>.
- 4.5 We appreciate that the practice of giving business gifts varies between countries, regions and cultures and what may be normal and acceptable in one place may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. Another good test is to consider the possible consequences, should details of the gift be published in a media forum such as a newspaper, web site or on TV. The intention behind the gift should always be considered and the transaction must be completely transparent and not concealed in any way.

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<sup>1</sup> <https://www.england.nhs.uk/publication/managing-conflicts-of-interest-in-the-nhs-guidance-for-staff-and-organisations/> guidance publication date 17.217 suggest items in this category below the value of £6 may be accepted and need not be declared. It can be seen from this that caution is prudent.

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## 5 What Is Not Acceptable?

- 5.1 It is **not** acceptable for you (or someone acting on your behalf) to:
- a. give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
  - b. give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure;
  - c. accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
  - d. accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
  - e. threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this or any other policy;
  - f. give, promise to give, or offer, a payment, gift or hospitality to anyone which is not proportionate or would be in breach of the recipient's own obligations (e.g. where a government official is subject to a policy preventing the receipt of any payment, gift or hospitality at all);
  - g. engage in any activity that might lead to a breach of this policy or contract or third party guidelines; and/or
  - h. offer gifts to, or accept gifts from, government officials or representatives (including health service and defence workers, and politicians or their parties) **without the prior written approval of the Director of Legal and Administrative Services.**

## 6 Facilitation Payments and Kickbacks

- 6.1 We do not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in the UK, but are common in some other jurisdictions.
- 6.2 If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt that details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the Director of Legal and Administrative Services or Head of Group Internal Audit, or use the Group Whistleblowing Policy (IP078) and associated reporting line to report wrongdoing.
- 6.3 Kickbacks are typically payments made in return for a business favour or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

## 7 Donations

Under no circumstances do we make contributions to political parties. We only make charitable donations that are legal and ethical under local laws and practices. No donation of any kind should be offered or made other than in accordance with the guidance provided in Schedule II.

## 8 Your Responsibilities

- 8.1 You must ensure that you read, understand and comply with this policy including its Schedules.

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- 8.2 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 8.3 You must notify the Director of Legal and Administrative Services or Head of Group Internal Audit as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a client or potential client offers you something to gain a business advantage with us, or indicates to you that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in Schedule I at the end of this policy.
- 8.4 You must ensure that you are aware of the types of transactions which may be classed as sensitive as set out in Schedule II in order that you can recognise them and follow the policy and appropriate business processes should they arise.
- 8.4 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We also reserve our right to terminate our contractual relationship with other workers if they breach this policy.

## 9 Record Keeping

- 9.1 We must keep financial records and have appropriate internal controls in place, which will evidence the business reason for making payments to third parties.
- 9.2 You must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.
- 9.3 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the Group Expenses Policy and specifically record the reason for the expenditure.
- 9.4 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts should be kept "off-book" to facilitate or conceal improper payments.

## 10 How To Raise A Concern

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage using the Group Whistleblowing Policy (IP078) and the associated confidential reporting line. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these can be raised with the Director of Legal and Administrative Services or Head of Group Internal Audit in confidence.

## 11 What To Do If You Are A Victim Of Bribery Or Corruption

It is important that you tell the Director of Legal and Administrative Services or Head of Group Internal Audit, or use the Whistleblowing Policy, as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

## 12 Protection

- 12.1 Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We encourage openness and will support anyone who raises genuine concerns in good faith under the Whistleblowing Policy, even if they turn out to be mistaken.
- 12.2 We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or

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potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Director of Legal and Administrative Services or Head of Group Internal Audit immediately. Your rights and reporting options are explained more thoroughly in the Whistleblowing Policy (IP078).

## 13 Training and Communication

- 13.1 Training on this policy and others in the governance framework forms part of the induction process for all new workers. All existing employees will receive occasional refresher training and relevant information on how to implement and adhere to this policy will be available on the Group's intranet site.
- 13.2 Our **zero-tolerance** approach to bribery and corruption must be communicated to all suppliers, joint venturers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

## 14 Who Is Responsible For The Policy?

- 14.1 The board of directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those who we can influence comply with it.
- 14.2 The Director of Legal and Administrative Services has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular awareness training.

## 15 Monitoring and Review

- 15.1 The Director of Legal and Administrative Services will monitor the effectiveness and review the implementation of this policy, considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to audit reviews to provide assurance that they are effective in countering bribery and corruption.
- 15.2 All employees are responsible for the success of this policy and should ensure they use it and the Whistleblowing Policy to disclose any suspected wrongdoing.
- 15.3 Employees are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Director of Legal and Administrative Services or Head of Group Internal Audit.
- 15.4 This policy does not form part of any employee's contract of employment and it may be amended at any time.

### Associated documentation

QM1494 Code of Ethics & Standards of Business Conduct

IP078 Group Whistleblowing Policy

PPI049 Bribery Act 2010 Training Presentation

EXT006 Full Reproduction of the Bribery Act 2010

## Schedule I - Potential Risk Scenarios and “Red Flags”

The following is a list of possible red flags that may arise during the course of your work and which may raise concerns of possible fraud, bribery or corruption. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for us, you must report them promptly to the Director of Legal and Administrative Services or Head of Group Internal Audit, or use the Whistleblowing Policy:

- a. you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- b. you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with government officials;
- c. a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;
- d. a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- e. a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- f. a third party requests an unexpected additional fee or commission to "facilitate" a service;
- g. a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- h. a third party requests that a payment is made to "overlook" potential legal violations;
- i. a third party requests that you provide employment or some other advantage to a friend or relative;
- j. you receive an invoice from a third party that appears to be non-standard or customised;
- k. a third party insists on the use of side letters or refuses to put agreed terms in writing;
- l. you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- m. a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us;
- n. you are offered an unusually generous gift or offered lavish hospitality by a third party; and/or
- o. you are conducting or are seeking to conduct business in a jurisdiction with a higher risk of corruption (check Transparency International's website for corruption index that ranks countries by corruption risk).

# Schedule II - Sensitive Transactions: Definitions, Policies and Business Processes

## Purpose of Document

This document is intended to supplement high-level guidance relating to bribery and corruption and as set out in EMIS' Code of Ethics and Standards of Business Conduct. It sets out definitions, policies and business processes to be applied to a range of potentially sensitive transactions and provides a checklist (Schedule III) for use when assessing whether or not specific transactions should be undertaken. The checklist should be used to assess the extent to which the transaction in question is likely to be covered by bribery legislation, and can be used as an aid to decide whether or not to proceed with the transaction.

## Applicability

Compliance with the policies and procedures set out in this document is mandatory in relation to all activities undertaken for or on behalf of EMIS. All workers share responsibility for ensuring the propriety of any potentially sensitive transaction of which they are aware, whether directly involved as an initiator or authoriser or indirectly involved through knowledge of the transaction's existence.

Workers are not bound by these policies and procedures when acting in a private capacity, but must be mindful of the risk that actions taken in a private capacity may not be seen as wholly independent of EMIS and its interests.

## Transaction Types

Various types of transaction that may typically be sensitive in the context of bribery and corruption are set out below and considered in detail in the following pages:

- |   |   |                        |
|---|---|------------------------|
| 1. Hospitality and gifts offered to third parties   | 6. Facilitation payments  | 11. Competition prizes |
| 2. Travel expenses paid in respect of third parties | 7. Hospitality, gifts and travel expenses offered to EMIS employees |                        |
| 3. Loss leading, trial products and 'freebies'      | 8. Honoraria  |                        |
| 4. Political contributions                          | 9. Sponsorships   |                        |
| 5. Lobbying   | 10. Donations   |                        |

## Guiding Principles

Any transaction is unacceptable if any of the following apply:

- If its underlying motive is to cause another party to act improperly; or
- Where Group Legal has not confirmed that it is permissible under all relevant local laws and regulations and complies with both the letter and the spirit of the UK Bribery Act 2010 and any other relevant legislation, whether local, national or international; or
- Where EMIS management has not confirmed that it complies with both EMIS policy (e.g. Anti-bribery & Corruption Policy/Code of Ethics etc.) and all policies and regulations applicable to other party or parties to the transaction; or
- If you would *not* be comfortable justifying it to colleagues or seeing it reported in the media with your name attached to it (i.e. you should be comfortable with it being in the public domain).

**NOTES:** For the purposes of this document, the term 'public sector' encompasses all international, national, regional and local government or quasi-governmental organisations, agencies and other organisations, including state-owned enterprises.

Guidance on the form and content of any waiver to be provided by a third party to confirm compliance with laws, regulations and policies applicable to their organisation can be obtained from the Group's Legal Department.

Schedule II – Sensitive Transactions: Definitions, Policies and Business Processes (cont.)

Expenditure and Nature of Risk	EMIS Policy and Business Process	EMIS Accounting Treatment
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All £ value limits stated in this document apply equally to local currency equivalents.

<p><b>1. Hospitality and gifts offered to third parties</b> (Sensitivity: HIGH)</p> <p><i>See also 2 below re travel costs</i></p> <p><b>Any provision of food, drink, entertainment, gifts or other items of value to existing or potential customers, decision makers, business partners, suppliers or other third parties.</b></p> <p>Most organisations have stringent rules governing what goods and services their employees and agents are allowed to accept from other parties.</p> <p>These rules are often complex and may derive from multiple sources (laws, public contracting and procurement rules etc.).</p> <p>Dealing with public sector organisations represents a significantly higher risk for EMIS because a conviction for breach of regulations may lead to exclusion from future public tenders.</p> <p>EMIS must be able to demonstrate due diligence in determining what rules apply and confirming compliance with those rules.</p> <p>Provision of hospitality or gifts that exceed what can be reasonably considered necessary to support business-like relationships between the parties is <i>never</i> acceptable.</p> <p>Tickets for major sporting events, such as World Cup football or Olympic Games finals, are unlikely to be appropriate.</p> <p>‘Custom and practice’ in the recipient’s country of operation should be regarded as not relevant other than in exceptional cultural circumstances and only where it is clearly based on written law (governmental constitution, legislation or case law only) that defines acceptable practices.</p> <p>Correct recording of such expenditure is important for both corporate and personal tax compliance.</p>	<p><b>Policy</b></p> <p>Reasonable hospitality is permitted when provided in the normal course of promoting EMIS’ products and services, such as at a trade show, as part of a business meeting, or as part of delivering a service, such as light refreshments provided during a training course.</p> <p>All hospitality and gifts offered or provided to other parties by EMIS must comply with all rules applicable to the party concerned and with EMIS policies, such as the Anti-bribery &amp; Corruption Policy.</p> <p>Hospitality and/or gifts should not be offered when a Request for Information (RFI), Request for Proposal (RFP), Invitation to Tender (ITT) or other commercial negotiation involving the intended counter-party is under way or known to be imminent.</p> <p>Any gifts must always be in the form of EMIS products or promotional items of low value. Gifts in the form of cash or cash equivalents (e.g. vouchers) are <i>never</i> acceptable.</p> <p>Where exceptional cultural circumstances require giving of gifts. Any gift with a value exceeding £100 must have prior written approval from the relevant GXT member and Group Financial Controller.</p> <p>Any solicitation of hospitality or gifts from EMIS by another party must be declined. The risks associated with further contact with that party must then be reassessed.</p> <p><b>Business Process</b></p> <p>EMIS employees must follow their entity’s defined purchase order and expense procedures.</p> <p>Hospitality or gifts being reclaimed through expenses must provide recipient and attendee details along with a description of the business reason for the meeting/event or gift.</p> <p>A record must be kept by the event organiser of any event that is considered to include hospitality over and above a reasonable level. This must include details of all invitees and must be forwarded to the divisional Finance Director.</p> <p>Advice should be sought from the Group’s Legal Department in relation to the form and content of any waiver regarding compliance with relevant laws, regulations and policies provided by a third party.</p>	<p>Whether costs are being reclaimed via expenses or have been paid directly by the company they should be coded to the relevant department and cost code. For those entities using AX this cost code would be:</p> <p>790135 Client entertainment and gifts</p> <p>Compliance with EMIS’ policy and procedures for reclaiming business expenses will help ensure the correct classification of costs incurred by individual employees.</p> <p>In the case of major events whose overall cost includes elements relating to the provision of the venue and elements relating to food, drink, entertainment etc., a reasonable apportionment of the total cost should be made.</p>
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Schedule II – Sensitive Transactions: Definitions, Policies and Business Processes (cont.)

Expenditure and Nature of Risk	EMIS Policy and Business Process	EMIS Accounting Treatment
<p><b>2. Travel expenses</b> (Sensitivity: HIGH)  <i>See also 1 above re hospitality and gifts</i></p> <p><b>Any payment of travel costs (transport and/or, accommodation) relating to existing or potential customers, decision makers, business partners, suppliers or other third parties.</b></p> <p>As a general rule, payment of travel costs that are not clearly business related, or are of a standard that exceeds what can be reasonably considered appropriate, is not acceptable.</p> <p>EMIS must be able to demonstrate due diligence in determining what rules apply to third parties whose travel costs are being considered for settlement by EMIS and ensuring compliance with those rules.</p> <p>‘Custom and practice’ in the recipient’s country of operation should be regarded as not relevant except in exceptional cultural circumstances and only where it is clearly based on written law (governmental constitution, legislation or case law only) that defines acceptable practices.</p> <p>Correct recording of such expenditure is important for both corporate and personal tax compliance.</p>	<p><b>Policy</b></p> <p>EMIS may, at its sole discretion and on a case-by-case basis, agree to meet travel costs of the third parties it deals with. Costs that would not otherwise be met by the organisation concerned should not be met by EMIS, either directly or indirectly.</p> <p>To be eligible for reimbursement, all costs must relate directly to a legitimate business activity, such as attendance at a trade event or as a speaker at an EMIS-sponsored conference.</p> <p>Due consideration must be given to any precedent established and the need to avoid any perception of preferential treatment of specific individuals or the organisations they represent.</p> <p>All costs must comply with all relevant rules, regulations and policies applicable to the recipient, including the standard of travel and accommodation to which they are entitled – these should not vary significantly (total cost &gt;10%) from EMIS Group’s expense policy, and where they do, GXT approval should be obtained.</p> <p>Any recharge to EMIS of travel costs relating to existing or potential customers settled by other organisations acting on EMIS’ behalf must be transparent and identifiable (e.g. via detailed invoice). Use of discretionary discounts, free-of-charge product issues etc. to settle or offset such recharges is not permitted under any circumstances.</p> <p><b>Business process</b></p> <p>Any proposal to contribute to travel costs for existing or potential customers, decision makers or other third parties must have divisional Finance Director approval or Group Financial Controller approval.</p> <p>Authorisation must be documented and include business justification for the proposed spend. Email records are sufficient.</p> <p>Advice should be sought from the Group’s Legal Department in relation to the form and content of any waiver regarding compliance with relevant laws, regulations and policies provided by a third party.</p>	<p>Non-employee travel costs, whether settled directly by EMIS or recharged via invoices, should be coded to the most relevant cost code. For those entities using AX this cost code (in most cases) would be:</p> <p>790310 Exhibition / seminar</p> <p>Travel costs relating to third parties settled by a supplier and recharged to EMIS, such as recharges by PR agencies of journalists’ travel costs to attend trade shows, should not be treated in the same way as the normal costs of goods or services provided by that supplier. They should instead be split out and identified separately.</p> <p><b>NOTE:</b> Travel costs incurred by consultants and similar suppliers as an integral part of work undertaken for or on behalf of EMIS should, to the extent that they relate to employees of the organisation concerned, be treated as part of the cost of that service and not separately identified.</p>

Schedule II – Sensitive Transactions: Definitions, Policies and Business Processes (cont.)

Expenditure and Nature of Risk	EMIS Policy and Business Process	EMIS Accounting Treatment
<p><b>3. Loss Leaders</b> (Sensitivity: HIGH)</p> <p><b>Any free of charge provision of EMIS equipment or services to organisations or individuals that are not already EMIS customers with a specific expectation that future sales will result.</b></p> <p>Like sponsorships and donations (see below), loss leading presents risks in that end use of the services/equipment cannot always be adequately tracked and ultimate beneficiaries and interested parties may not be fully understood.</p> <p>Such activity presents a particular risk if it is connected, or could be seen to be connected, with a significant tender or other sales opportunity. As a general rule, loss leading is unlikely to be appropriate in any market where Request for Information (RFI), Request for Proposal (RFP) or Invitation to Tender (ITT) activity is already happening or sales have already been made.</p>	<p><b>Policy</b></p> <p>Loss leading initiatives of an appropriate size and nature undertaken in the normal course of extending the reach of EMIS' business are permitted.</p> <p>The amount of equipment or services that can be used in this way must not exceed what can be reasonably justified as necessary to provide increased awareness of EMIS' products in the target market.</p> <p><b>Business Process</b></p> <p>All loss leading proposals must be requisitioned using standard forms and authorised via the prescribed process.</p> <p>Any equipment or services to be funded from a budget other than Marketing must be authorised in advance by the relevant divisional Finance Director.</p>	<p>Any such expenditure should be coded to the most relevant cost code.</p> <p>For those entities using AX this cost code (in most cases) would be:</p> <p>The relevant Marketing budget code;</p> <p>740120 Donations; or</p> <p>740125 Sponsorship</p>
<p><b>4. Political contributions</b> (Sensitivity: HIGH)</p> <p><b>Any contribution, either financial or in kind, made to support a political party or cause.</b></p> <p>Political contributions can provide a legitimate way for companies to support the democratic process, but they are open to abuse by companies seeking to win contracts or shape legislation in ways that favour their business.</p> <p>Examples of political contributions include: gifts or loans of cash, property, goods or services; advertising or promotional activities endorsing political events; purchase of tickets to fundraising events; contributions to research organisations with close associations with a political party; and release of employees to undertake activities for or on behalf of political parties.</p>	<p><b>Policy</b></p> <p>Use of EMIS funds or other resources for political causes is <b><u>not permitted in any form.</u></b></p> <p>Solicitation of political contributions for or on behalf of the company is not permitted.</p>	<p>N/A – see policy statement</p>

Schedule II – Sensitive Transactions: Definitions, Policies and Business Processes (cont.)

Expenditure and Nature of Risk	EMIS Policy and Business Process	EMIS Accounting Treatment
<p><b>5. Lobbying</b> (Sensitivity: HIGH)</p> <p><b>Any activity by individuals or organisations intended to promote awareness of EMIS and its products and services, provide access to decision-makers or influence decisions in order to further EMIS' commercial interests.</b></p> <p>Lobbyists are engaged precisely because they have contacts and understanding of individuals' and organisations' priorities and areas of interest, which they use to influence decisions.</p> <p>Lobbying is a legitimate activity, but carries a high risk of actual or perceived impropriety because it takes place outside the company's direct control and frequently involves hospitality and/or other 'sensitive' activities.</p>	<p><b>Policy</b></p> <p>Lobbying in the normal course of EMIS' business is permitted, but must comply with all relevant laws and regulations.</p> <p>EMIS employees are subject to the Code of Ethics when undertaking lobbying, whether specifically on behalf of the Group or generally in relation to healthcare information technologies.</p> <p>All external lobbyists engaged by, or on behalf of, EMIS must commit to working within clearly defined ethical guidelines and/or industry codes of practice that equate to, or exceed, EMIS' Code of Ethics.</p> <p>The lobbyist's terms of reference, the performance measures applicable to the engagement and commitment to ethical behaviour, including regulatory compliance, must be formally set out in a service agreement, engagement letter or equivalent document.</p> <p><b>Business Process</b></p> <p>Any proposal to use external lobbyists must be approved by the relevant GXT member and the Group CFO.</p>	<p>The costs of external lobbying activities should be coded to the most relevant cost code.</p> <p>For those entities using AX this cost code (in most cases) would be:</p> <p>740113 Consultancy</p>
<p><b>6. Facilitation payments</b> (Sensitivity: HIGH)</p> <p><b>Any small bribe made to secure or speed up a routine official action.</b></p> <p>The circumstances under which such payments are most likely to be solicited dictate that they will almost certainly be in the form of cash or goods.</p> <p>Payments may be demanded or otherwise solicited from EMIS employees or from the company's agents or other intermediaries. Involvement of such agents or intermediaries does not exclude the company from liability for breaches of relevant anti-corruption, tax and other legislation.</p>	<p><b>Policy</b></p> <p>Facilitation payments are illegal in most countries and under UK laws covering all EMIS' global activities. As such, they are prohibited.</p> <p><b>Business Process</b></p> <p>N/A</p>	<p>N/A – see policy statement</p>

Schedule II – Sensitive Transactions: Definitions, Policies and Business Processes (cont.)

Expenditure and Nature of Risk	EMIS Policy and Business Process	EMIS Accounting Treatment
<p><b>7. Hospitality, gifts, travel expenses and other goods or services offered to EMIS employees</b> (Sensitivity: MODERATE/HIGH)</p> <p><b>Any offer or provision of food, drink, entertainment, gifts, travel or other items or services of value to EMIS employees by an existing or potential customer, decision maker, business partner, supplier or other third party.</b></p> <p>Establishing and maintaining effective business relationships often requires exchange of hospitality and other cordialities.</p> <p>As with hospitality and gifts provided by EMIS, acceptance of hospitality and gifts by EMIS employees is not appropriate when these are of a value or nature that exceeds what can be reasonably considered necessary to support business-like relationships between the parties.</p> <p>Tickets for major, exclusive sporting events are unlikely to be appropriate, particularly when provided as part of a wider corporate hospitality package.</p> <p>‘Custom and practice’ in the recipient’s country of operation should be regarded as not relevant except in exceptional cultural circumstances and only where it is clearly based on written law (governmental constitution, legislation or case law only) that defines acceptable practices.</p>	<p><b>Policy</b></p> <p>Employees may accept reasonable hospitality that is clearly connected with a business activity, such as dinner following a business meeting. EMIS should pick up the costs of such hospitality at least as often as the other party.</p> <p>Any offer of hospitality or other goods or services must be carefully considered to ensure it passes the ‘reasonableness’ tests (see left). Employees must be mindful at all times of both the nature of the goods or services offered and the status of the business relationship. For instance, any offer of hospitality should not be accepted when an RFI/RFP, tender or other commercial negotiation involving the intended counter-party is under way or known to be imminent.</p> <p>Attending trade shows and other promotional events or accepting occasional invitations to sporting events such as football matches hosted by potential customers, suppliers or other third parties is permissible subject to the above constraints regarding the nature of the event and status of the business relationship. Prior authorisation must be obtained from the employee’s line manager. Email records are sufficient.</p> <p>Employees must not accept any hospitality, travel or other item or service of value that is not demonstrably business-related. For example, payment by a supplier of travel costs for an employee’s spouse or partner is not acceptable.</p> <p>Employees must decline all offers of gifts unless the gift is of nominal value or cultural circumstances dictate otherwise (NOTE: ‘Gifts’ in this context include prizes in competitions sponsored by existing or potential customers or suppliers).</p> <p>Employees must not accept any favourable treatment (e.g. discretionary discounts) in relation to private transactions with parties with whom they have a business relationship through their role as an EMIS employee.</p> <p>EMIS employees must not solicit hospitality, gifts or other goods or services of value from another party.</p> <p><b>Business Process</b></p> <p>N/A</p>	<p>N/A</p>

Schedule II – Sensitive Transactions: Definitions, Policies and Business Processes (cont.)

Expenditure and Nature of Risk	EMIS Policy and Business Process	EMIS Accounting Treatment
<p><b>8. Honoraria</b> (Sensitivity: MODERATE/HIGH)</p> <p><b>Ex gratia payments to individuals or organisations for services provided to EMIS in a voluntary capacity, or for which a fee is not traditionally charged.</b></p> <p>Honoraria can be problematic if paid to a recipient who is in a position to improperly influence others, such as key decision makers, or set at a level that could be perceived as intended to influence the recipient's behaviour.</p>	<p><b>Policy</b></p> <p>Honoraria are permitted only in very specific circumstances and must be set at a value well below what might reasonably be seen as an inducement to improper behaviour.</p> <p>EMIS must seek and obtain confirmation that offer and acceptance of any honorarium payment is permissible under any relevant laws or other regulations applicable to the recipient.</p> <p>Payments may only be made by bank transfer to an account in the name of the recipient or a verifiable organisation with which they are associated, which must be relevant to the services provided.</p> <p><b>Business process</b></p> <p>Any honorarium to be paid by EMIS must be approved in advance by relevant GXT member and the divisional Finance Director.</p> <p>This approval may be by way of a general approval in principle (e.g. in the case of contributors to a specific event or initiative), rather than case-by-case. Email records are sufficient.</p>	<p>Honorarium payments should be coded to the most relevant cost code.</p> <p>For those entities using AX this cost code (in most cases) would be:</p> <p>740113 Consultancy.</p>
<p><b>9. Sponsorships</b> (Sensitivity: MODERATE)</p> <p><b>Any provision of support, financial or in kind, for a product or activity (typically an event, project or campaign) provided by EMIS in return for public recognition of that support and in the clear expectation of a consequent beneficial impact.</b></p> <p>Sponsorships involve payments for services or benefits that may be hard to measure and track. As such, there is a risk that resources may be misused, kick-backs may be given or the actions and decisions of other parties may be improperly influenced.</p>	<p><b>Policy</b></p> <p>Sponsorships of an appropriate size and nature are permissible when made in the normal course of EMIS' business.</p> <p>Sponsorships should only be entered into when there is a clear expectation of commercial benefit to EMIS that outweighs the cost.</p> <p><b>Business Process</b></p> <p>Sponsorship should not be offered when a Request for Information (RFI), Request for Proposal (RFP), Invitation to Tender (ITT) or other commercial negotiation involving or otherwise connected to the intended counter-party is under way or known to be imminent.</p> <p>When assessing sponsorship proposals, care should also be taken to ensure that the recipient individual or organisation is not associated with specific political interests or involved in other sensitive activities, such as lobbying.</p> <p>Sponsorship business cases and agreements must be documented and are subject to authorisation as follows:</p> <p>All types of sponsorship are subject to the same business process and authorisation limits as follows:</p> <ul style="list-style-type: none"> <li>• Proposed transactions up to £9,999: <ul style="list-style-type: none"> <li>○ GXT member <i>plus</i> Group CFO (<i>plus</i> standard sensitive</li> </ul> </li> </ul>	<p>Costs of sponsorships should be coded to the most relevant cost code.</p> <p>For those entities using AX this cost code (in most cases) would be:</p> <p>740125 Sponsorship</p> <p>If the nature of the sponsorship is more by way of a charitable donation e.g. sponsoring a table at a charity fund-raising dinner, costs should be coded to (for AX entities):</p> <p>740120 Donations</p> <p>The policy and business processes for Donations, outlined in 10. below, should be applied.</p>

Schedule II – Sensitive Transactions: Definitions, Policies and Business Processes (cont.)

Expenditure and Nature of Risk	EMIS Policy and Business Process	EMIS Accounting Treatment
	<p>transaction risk assessment form (see Schedule III) to support the request <b>may</b> be requested by GXT member/CFO);</p> <ul style="list-style-type: none"> <li>• Proposed transactions of £10,000 and over: <ul style="list-style-type: none"> <li>○ As above <b>plus</b> Group CEO (<b>plus</b> standard sensitive transaction risk assessment form (see Schedule III) to support the request <b>must</b> be submitted to CEO:</li> </ul> </li> <li>• <b>All</b> sponsorship agreements must be checked and agreed by Group Legal.</li> <li>• Authorisation must be documented. Email records are sufficient.</li> <li>• The person authorising the sponsorship is responsible for ensuring that it has been correctly classified for accounting purposes and that adequate supporting records are retained for audit.</li> </ul> <p>EMIS services or products for donation must be requisitioned using the standard product request form and authorised via the prescribed process. Zero value sales invoices must not be used.</p> <p>The person authorising the expenditure is responsible for ensuring that it has been correctly classified for accounting purposes and that adequate supporting records are retained for audit.</p>	
<p><b>10. Donations</b> See also 11 below re competition prizes</p> <p>Like sponsorships (see 9 above), all types of donation present a bribery risk as they involve payments made without tangible return. Kick-backs of part of the donation may be agreed or donations may be steered to apparently legitimate 'front' organisations for corrupt purposes, or to a favoured cause of a decision maker or customer. All donations present risks in that the end use of the donation cannot always be adequately tracked and beneficiaries and interested parties may not be fully understood.</p> <p>Donations of small items to charitable or other non-commercial organisations e.g. for use as prizes in bona fide competitions should usually be irrelevant for the purposes of anti-bribery regulations. However, other laws and rules covering gaming, lotteries and competitions vary from country to country and are frequently complex.</p> <p>Any expectation of incidental favourable publicity does not prevent such donations being classified as charitable. Types of donation include:</p> <p><b>Charitable donations</b> (Sensitivity: MODERATE)  <b>Contributions, either financial or in kind, made by EMIS to</b></p>	<p><b>Policy</b></p> <p><b>Charitable donations</b> of an appropriate size and nature are permissible when made in the normal course of EMIS' business and in support of a cause that is clearly related to EMIS' aims and values.</p> <p>Charitable donations must be made directly by EMIS to the charitable organisation they are intended to benefit e.g. not paid for by a manager and reclaimed on expenses. Donation of monies or product to, for example, business partners for onward transmission to a third party is not permitted – the end recipient must <i>always</i> be known.</p> <p><b>Goodwill donations</b> of an appropriate size and nature are permissible when made in the normal course of EMIS' business.</p> <p>Donations should be in the form of EMIS services/products or EMIS-branded promotional merchandise where possible, rather than other companies' products, such as iPads.</p> <p><b>Donation of EMIS services, products or equipment</b> to academic or medical institutions of appropriate status undertaking relevant academic research is permissible.</p> <p>However, such donations should only be made when there is a reasonable expectation of future commercial benefit to EMIS that outweighs the cost.</p>	<p>Costs of donations of all types should be coded to the most relevant cost code.</p> <p>For those entities using AX this cost code (in most cases) would be:</p> <p>740120 Donations</p> <p>If the nature of the donation is more like a sponsorship, the policy and procedure for sponsorships should be followed (see 9 above).</p>

Schedule II – Sensitive Transactions: Definitions, Policies and Business Processes (cont.)

Expenditure and Nature of Risk	EMIS Policy and Business Process	EMIS Accounting Treatment
<p>support a charitable or other non-commercial cause with no expectation of future direct commercial benefit to EMIS in return.</p> <p><b>Goodwill donations</b> (Sensitivity: LOW/MODERATE)  <b>Free of charge provision, typically of individual items of EMIS services, equipment or other materials, to organisations or individuals as a goodwill or ‘thank you’ gesture with no expectation of future direct commercial benefit to EMIS in return.</b></p> <p><b>Donations of research services/equipment</b> (Sensitivity: LOW)  <b>Free of charge provision of EMIS services or equipment to organisations undertaking research into the effectiveness of relevant technologies, usually with the expectation that research findings will be favourable to the technologies in general and/or EMIS specifically.</b></p>	<p><b>Business Process</b></p> <p>All types of donation are subject to the same business process and authorisation limits as follows:</p> <ul style="list-style-type: none"> <li>• Proposed transactions up to £9,999: <ul style="list-style-type: none"> <li>○ GXT member <i>plus</i> Group CFO (<i>plus</i> standard sensitive transaction risk assessment form (see Schedule III) <b>may</b> be requested by GXT member/CFO as required);</li> </ul> </li> <li>• Proposed transactions of £10,000 and over: <ul style="list-style-type: none"> <li>○ As above <i>plus</i> Group CEO (<i>plus</i> standard sensitive transaction risk assessment form (see Schedule III) <b>must</b> be submitted to CEO to support the request:</li> </ul> </li> <li>• <b>All</b> donations must be checked and agreed by Group Legal.</li> <li>• Authorisation must be documented. Email records are sufficient.</li> <li>• The person authorising the donation is responsible for ensuring that it has been correctly classified for accounting purposes and that adequate supporting records are retained for audit.</li> <li>• EMIS services or products for donation must be requisitioned using the standard product request form and authorised via the prescribed process. Zero value sales invoices must not be used.</li> </ul>	
<p><b>11. Competition prizes</b> (Sensitivity: LOW)  <i>See also 10 above re donations</i></p> <p><b>Use by EMIS, or provision free of charge to other parties, of EMIS products or other small items as prizes in competitions.</b></p> <p>Anti-bribery regulations should, in most cases, be irrelevant in relation to bona fide competitions. However, other laws and rules covering gaming, lotteries and competitions are frequently complex and vary from country to country.</p> <p>Advice should <i>always</i> be sought from the Group’s Legal Department.</p>	<p><b>Policy</b></p> <p>Use or donation of small items as prizes in competitions run or sponsored by EMIS, or that are supportive of EMIS’ aims and values if run by other organisations, is permitted.</p> <p>Where possible, prize donations should be in the form of EMIS product or EMIS-branded promotional merchandise, rather than other companies’ products, such as iPads. Where this is unavoidable, written authorisation by the relevant GXT member must be obtained and kept on file for audit purposes.</p> <p><b>Business Process</b></p> <p>EMIS products for donation must be requisitioned using the standard product request form and authorised via the prescribed process. Zero value sales invoices must not be used.</p> <p>EMIS-branded promotional merchandise should be purchase ordered in the normal way. Use of the expenses system to purchase such items is not permitted.</p> <p>The person authorising the prize donation is responsible for ensuring that it has been correctly classified for accounting purposes and that adequate supporting records are retained for audit.</p>	<p>Costs of competition prizes should be allocated to promotional expenses, event costs or donations according to the circumstances of each case.</p>

## Schedule III - Sensitive Transaction Risk Assessment Form

<b>Transaction Value</b>	<b>Currency</b> [    ]	<b>GBP</b>
What is the value of the proposed transaction in local currency (please specify currency) and GBP?		
If multiple recipients are involved (e.g. hospitality), what is the approximate cost per person?		

<b>'Yes' score</b>	<b>'No' score</b>	<b>Score</b>
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### Underlying Motive

1.1 Is the proposed transaction motivated by an <b>expectation of direct commercial benefit</b> to or from EMIS by, for example, influencing future purchasing decisions (e.g. lobbying)?	
1.2 Is the proposed transaction motivated by an expectation of <b>indirect</b> commercial benefit to or from EMIS, for example through favourable publicity (e.g. charitable donations, donation of equipment for research purposes)?	
1.3 Is the proposed transaction <b>wholly</b> philanthropically or charitably motivated?	
1.4 If the answer to 1.3 is 'Yes', is there written confirmation to this effect from the beneficiary/ recipient?	

+3	0	
+1	0	
0	+1	
-1	0	

### Counterparties to Transaction

2.1 Are all direct and any potential indirect <b>counterparties</b> to the transaction (individuals or organisations) clear and known to EMIS?	
2.2 Is any counterparty a <b>public official or organisation</b> (includes national, local and municipal government officials, employees of government and other public agencies and enterprises)?	
2.3 Does the transaction involve an <b>intermediary</b> acting on behalf of EMIS or any counterparty, whether directly or indirectly?	
2.4 Has any counterparty or intermediary individual or organisation been convicted of an offence involving <b>dishonesty</b> or investigated for such an offence (including current investigations)?	

0	+2	
+2	0	
+1	0	
+2	0	

### Relationship with EMIS

**NOTE: Complete only 3.1-3.3 or 3.4-3.7**

3.1 Is any counterparty individual or organisation an <b>existing or potential customer</b> for EMIS products?	
3.2 If the answer to 3.1 is 'Yes', is there a known or potential <b>sales opportunity</b> with the individual or organisation concerned?	
3.3 If the answer to 3.2 is 'Yes', is EMIS already <b>actively engaged</b> in that opportunity (e.g. responding to ITT/RFP, in tender process)?	
3.4 Is any counterparty an <b>existing or potential supplier</b> of goods or services to EMIS?	
3.5 If the answer to 3.4 is 'Yes', is EMIS a <b>key customer</b> of that counterparty?	
3.6 If the answer to 3.5 is 'Yes', is there a known or potential <b>sales opportunity</b> with EMIS in which the counterparty might be expected to have an interest?	
3.7 If the answer to 3.6 is 'Yes', is EMIS already <b>actively engaged</b> in a tender process or commercial negotiations in relation to that sales opportunity?	

+2	0	
+2	0	
+2	0	
+1	0	
+1	0	
+2	0	
+2	0	

### Regulatory Environment

4.1 Has it been confirmed that the proposed transaction does not contravene any <b>law, regulation or other guidelines</b> applicable to any counterparty (e.g. government procurement guidelines)?	
4.2 Has <b>written confirmation</b> that the transaction is allowable under all relevant rules and regulations been obtained from all relevant counterparties?	

0	+2	
-2	0	

<b>Net score</b>	
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**Any transaction scoring a net total of +5 or more is HIGH RISK and must be carefully considered before proceeding**  
**All transactions >£10k require CEO authorisation and this form must be completed**

	Name	Position/role	Signature	Date
<b>GXT authorisation</b>				
<b>CFO authorisation</b>				
<b>CEO authorisation (&gt;£10k)</b>				