



Anti-Bribery Policy

Version Control						
Policy No	Version	Date	Description of Change	Review Cycle	Next Review Date	Department
RAE010	1.0	May 2018	Previous version			General
	2.0	16/02/2024	Emphasis on a risk-based approach to due diligence. Removing the need for 3 rd parties to complete a corruption questionnaire. Clarifications on procedures during Grant Awards.	2 years	15/02/2026	General

Document Control				
Version	Responsible	Approver	Signature	Date
2.0	Chris Boyle	Board of trustees	Approved in Trustee Board meeting	18 th March 2024

1. Purpose

- 1.1 The Royal Academy of Engineering (the “Academy”) is committed to the practice of responsible corporate behaviour and to complying with all laws, regulations and other requirements which govern the conduct of its operations.
- 1.2 The Academy is committed to supporting the highest standards of engineering excellence and acting professionally, fairly and with integrity in all that it does. Bribery and corruption erode these standards and are counter to its purpose and values. The Academy is fully committed to instilling a zero-tolerance anti-corruption culture and to compliance with all anti-bribery and anti-corruption legislation including, but not limited to, the Bribery Act 2010 (the “Act”). The Academy does not condone or tolerate bribery or corruption in any form and looks to ensure that no bribes or other corrupt payments, inducements or similar are made, offered, sought or obtained by us or anyone working on its behalf anywhere in the world.
- 1.3 All Academy staff must be aware of and comply with this Policy as well as the Academy’s policies on Gifts and Hospitality and Conflicts of Interest. The security and safety of staff, partners and other representatives must not be compromised; hence awareness of policy around Payments Under Duress (section 6) is emphasised.
- 1.4 This Policy does not form part of any staff members contract of employment and the Academy may amend it at any time. This Policy will be reviewed on an annual basis.

2. Bribery

- 2.1 **Bribery** is defined as the offering, giving, or promising of a financial or other advantage to another party (whether directly or through a third party) where that advantage is intended to induce another party to do something that is dishonest, illegal, improper or a breach of trust. This is known as ‘active bribery’.
- 2.2 Bribery is also deemed to take place if any party requests or agrees to receive a financial or other advantage from another party (whether directly or through a third party) where that advantage is intended to induce that party to do something that is dishonest, illegal, improper or a breach of trust. This is known as ‘passive bribery’, where an individual accepts a bribe.
- 2.3 A bribe can take the form of money, gifts, loans, fees, hospitality, services, discounts, charitable contributions, the award of a contract or any other advantage or benefit.
- 2.4 A **facilitation payment** is defined as a payment or offering of any kind of value made to a public official in order to ensure or speed up the performance of routine or necessary functions, for example the processing of an entry permit or licence.
- 2.5 **Corruption** is the abuse of public or private office for personal gain. It is important to note that corruption occurs even when there has not actually been a benefit but an expectation of one. Corruption can also occur when someone’s relatives or friends/associates receive a benefit.

3. Consequences of Bribery

- 3.1 Any individual found guilty of bribery under the Act may face high fines and/or lengthy prison terms.
- 3.2 For staff members of the Academy, failure to comply with this Policy and/or with the Act may also result in disciplinary action up to and including dismissal for gross misconduct.

- 3.3 For the Academy, a breach of this Policy by any staff member or affiliated individual (which can include a Grant Recipient, International Partner, Supplier) may result in:
- 3.3.1 the organisation being deemed to be in breach of the Act;
 - 3.3.2 the organisation being subjected to fines; and
 - 3.3.3 the organisation suffering significant negative publicity and further associated damage as a result of such breach.
- 3.4 Any third party found to be in violation of this Policy may, at the discretion of the Academy's management, face termination of their contract, Award, or any business relationship with the Academy, with immediate effect.
- 3.5 Anyone found guilty of bribery will be held financially liable for a range of remedial costs, including but not limited to financial losses incurred by the Academy as a result of bribery, such as fines, penalties, or legal settlements. They will also be responsible for covering court fees, legal expenses, and related costs associated with legal proceedings initiated due to bribery. Additionally, any expenses associated with efforts aimed at mitigating harm to the Academy's reputation, including public relations campaigns or initiatives to restore trust, will be borne by those found guilty. The costs of conducting investigations into the alleged bribery, encompassing both internal and external investigative processes, will also be included. Any other financial repercussions directly stemming from acts of bribery, as determined by the Academy's management or legal advisors, will likewise be the financial responsibility of the individuals found guilty.

4. **Scope**

- 4.1 This Policy applies to all staff members, Fellows, contractors, subcontractors, consultants, business partners, awardees, grant recipients, and any other parties (including individuals, partnerships, and bodies corporate) associated with the Academy or any of its subsidiaries or undertaking activities for or on behalf of the Academy, in any capacity, anywhere in the world. This includes staff at all levels, directors, officers, volunteers, agency workers, seconded workers, interns, agents, contractors, external consultants (including visiting scientists), partners, agents, joint venture and other business partners, and other third-party representatives.
- 4.2 It is the responsibility of all the abovementioned parties to ensure that bribery is prevented, detected, and reported and all such reports should be made in accordance with the Academy's Whistleblowing Policy or as otherwise stated in this Policy, as appropriate.

5. **Roles and Responsibilities**

- I. Board of Trustee
Accountable for ensuring an appropriate policy exists and it fit for purpose.
- II. Audit Committee
The Audit and Risk Committee review the policy and provide feedback to help ensure the policy is fit for purpose.
- III. Chief Operating Officer: Responsible for ensuring the policy and procedures are implemented.
- IV. Director of Finance: Support the implementation of the policy and procedure.
- V. Head of Governance, Risk & Compliance: Support the implementation of the policy and procedure.

6. **Policy**

- 6.1 No one may:

- 6.1.1 give or promise any financial or other advantage to another party (or use a third party to do the same) on the Academy's behalf in the expectation that a business advantage will be received in return, or to reward any business received;
 - 6.1.2 on behalf of the Academy, request or agree to receive any financial or other advantage from another party while knowing or suspecting that the intention behind such offering is to gain a business or personal advantage for themselves or any other party.
 - 6.1.3 make any payment to a third party if they know or suspect that the person may use or offer all or a portion of the payment directly or indirectly as a bribe;
 - 6.1.4 give, promise or offer a facilitation payment to a public or government official in any country;
 - 6.1.5 suggest, propose, request, offer, broker, arrange, allow, handle, ignore or wilfully turn a blind eye to bribes or other corrupt acts; or
 - 6.1.6 threaten or retaliate against another person who has refused to offer or accept a bribe or who has raised concerns about possible bribery or corruption.
- 6.2 Everyone to whom this Policy applies must:
- 6.2.1 be aware and alert at all times of all bribery risks as described in this Policy.
 - 6.2.2 exercise due diligence at all times when dealing with third parties on behalf of the Academy.
 - 6.2.3 report all concerns relating to bribery (including in relation to third parties engaged on behalf of the Academy) to their line manager or a director or, in the case of non-staff members, their normal point of contact within the organisation, or otherwise in accordance with the Academy's Whistleblowing Policy; and
 - 6.2.4 take all reasonable steps to make others who are acting on behalf of the Academy aware of this Policy and prevent them from carrying out any of the activities listed in section 5.1 above.
- 6.3 The Academy delivers a variety of international grant programmes. Each of these should consider the risks of bribery and misuse of funds on a regular basis (typically annual discussions by programme steering group of the programme risk register). Where significant risks are identified, the programme should have a mitigation plan in place, making sure beneficiaries are aware of the Academy's position on bribery as set out in this Policy, and that appropriate monitoring and whistleblowing arrangements are in place. Similarly, in designing new programmes, anti-bribery practices appropriate to the identified risks should be incorporated and documented.
- 6.4 When entering partnerships with other organisations, the governance capacity of that partner, including around anti-bribery practices, will receive appropriate due diligence. This will include:
- 6.4.1 a corruption risk assessment of factors including the country in which the business is to be conducted, the third party's potential business partners and the nature of the proposed project or transaction.
 - 6.4.2 in cases where the nature of the partnership leads to a particularly high risk, we may undertake additional investigation to ensure that the Academy understands enough about the partner's governance, policies and processes. We may also take up references from trusted parties who have worked with them before. Evidence that a partner does not have robust anti-bribery practices may lead to termination of the partnership.

6.5 Examples of potential red flags to watch out for as indicators of potential violations of anti-bribery or anti-corruption laws are set out in **Appendix 1** to this Policy.

6.6 This Policy applies in any jurisdiction in which the Academy operates or carries on business.

7. **Facilitation Payments and Payments Under Duress**

7.1 While facilitation payments are considered bribery and are illegal under the laws of many countries where we operate, the Academy places the utmost importance on the safety and security of our staff, partners, and representatives. In rare and exceptional circumstances where demands for payments, gifts, or hospitality are accompanied by credible threats to personal safety, the Academy's primary concern is to ensure the safety and well-being of individuals. In such situations, payments, known as Payments Under Duress, may be made. It is essential to emphasise that facilitation payments should never be made under any other circumstances.

7.2 Any demand for a facilitation payment or Payment Under Duress made must be reported to the Chief Operating Officer and Chief Executive as soon as is reasonably possible and practicable.

7.3 Repeated or systematic Payments Under Duress may be an example of bribery. The Chief Executive will ensure security policies and operational activities are appropriately reviewed after any Payment Under Duress.

8. **Gifts and Hospitality**

8.1 Gifts and hospitality remain a legitimate part of conducting business and should be provided only in compliance with this Policy and the Academy's Gifts and Hospitality Policy.

8.2 Gifts and hospitality can, when excessive, constitute a bribe and/or a conflict of interest. Care and due diligence should be always exercised when giving or receiving any form of gift or hospitality on behalf of the organisation.

8.3 The following general principles apply (with more detail provided in the Academy's Gifts and Hospitality Policy):

8.3.1 Gifts in excess of £100 value may neither be given nor received from customers, suppliers or other third parties involved with the Academy, save for receipt in exceptional circumstances and with prior approval as set out in section 2 of the Gifts and Hospitality Policy.

8.3.2 Hospitality likely to exceed £100 value must not be accepted without written approval as set out in section 3 of the Gifts and Hospitality Policy.

8.3.3 Neither gifts nor hospitality should be actively sought or encouraged from any party, nor should the impression be given that the award of any business, custom, contract or similar will be in any way conditional on gifts or hospitality.

8.3.4 Cash should never be given or received as a gift under any circumstances.

8.3.5 Gifts and hospitality to or from relevant parties should be avoided at the time of contracts being tendered or awarded.

8.3.6 The value of all gifts and hospitality, whether given or received, should be proportionate to the matter to which they relate and should not be unusually high or generous when compared to prevailing practices in our industry or sector; and

8.3.7 Provision of gifts, hospitality or business entertainment to a foreign public/government official is **not** permitted under this Policy without prior authorisation from the Chief Operating Officer who will determine whether the proposed activity is permissible under applicable laws.

8.4 All gifts and hospitality, whether given or received, must be recorded in the Gifts Registry. This register is handled by the Executive service. You must also be aware of the requirements set out in the Conflicts of Interest Policy.

9. **Charitable Donations**

9.1 Charitable donations are permitted only to registered (non-profit) charities. No charitable donations may be given to any organisation which is not a registered charity.

9.2 All charitable donations must be fully recorded in the Charitable Donations Register

9.3 Proof of receipt of all charitable donations must be obtained from the recipient organisation.

9.4 Under no circumstances may charitable donations be made in cash.

9.5 All charitable donations on behalf of the Academy must be approved in advance by the Chief Operating Officer.

9.6 No charitable donation may be made at the request of any party where that donation may result in improper conduct.

10. **Political Donations**

10.1 The Academy does not make political donations (which includes any contribution, made in cash or in kind, to support a political cause; contributions in kind can include: gifts of property or services, advertising or promotional activities endorsing a political party, the purchase of tickets to fundraising events and contributions to research organisations with close associations with a political party, or the release of staff members without pay to undertake political campaigning or to stand for office). The Academy is not affiliated with any political party, independent candidate, or with any other organisation whose activities are primarily political.

10.2 Academy staff and other associated parties are free to make personal donations provided such payments are not purported to be made on behalf of the Academy and are not made to obtain any form of advantage in any business transaction.

11. **Dealing with Third Parties, including Research Award Recipients**

11.1 The following issues should be considered with care in all dealings with third parties, including consultants, agents, Grant Recipients, International Partners, and government/public officials:

11.1.1 Territorial risks, particularly the prevalence of bribery and corruption in a particular country.

11.1.2 Cross-border payments, particularly those involving territories considered as higher risk for bribery and corruption.

11.1.3 Requests for cash payment, payment through intermediaries or other unusual methods of payment.

11.1.4 Activities requiring the Academy and/or any associated party to obtain permits or other forms of official authorisation; and

11.1.5 Transactions involving the import or export of goods.

We will conduct our relationships with third parties taking a risk-based approach. This means that our procedures should be adjusted depending on the level of risk identified. Where more risk factors are present, more extensive checks should be carried out and ongoing monitoring of the relationship should be carried out on a more frequent basis. For more guidance, and wherever any higher risk factors are identified, you should speak to the Head of Governance, Risk and Compliance.

12. Grant Awards

- 12.1.1 Although specific details will necessarily differ depending on the circumstances of the Grant-making Programme, in all cases the Academy will ensure that: each grant award **selection process will include at least three separate groups**. These will typically take the form of; a staff team for eligibility checks, steering group representatives which may or may not be mixed with volunteers for review and decision-making, and senior staff for approval and sign-off. This is to ensure that this process is accountable and independent.
- 12.1.2 **eligibility checks of third parties** will be dependent upon a risk-based approach, the process for which is captured in the **Due Diligence Guidance**. This document can be found on the reference document page on the intranet.
- 12.1.3 all stages of the award selection process, including the rationale for all Grant or Award decisions, **are fully documented** within the GMS. This documentation includes formal sign-off by the relevant senior individuals at the Academy to ensure a comprehensive audit trail of decision-making processes for each round is captured; and
- 12.1.4 no money will be paid out of the Academy without sign-off as indicated in the Academy's Authority Limits.
- 12.1.5 all third parties are to certify their understanding of this Policy or a suitable equivalent, usually through its inclusion within the grant agreement for their award;

Ongoing monitoring

- 12.2 At the start of any relationship, the frequency at which update reports will be required from the Grant Recipient or International Partner or Supplier will be decided by the Project / Programme Manager in , taking a risk-based approach as described above.
- 12.3 The Project / Programme Manager will be responsible for oversight of the ongoing relationship with the Grant Recipient or International Partner, including ensuring any required reports are received on schedule, that reports are reviewed and actioned as necessary, and that reports are recorded on file.
- 12.4 In addition, screening of third parties is monitored automatically by the Academy's due diligence service provider. The Risk and Compliance team will be notified if the status of the third-party changes.

13. Reporting and Investigations

- 13.1 All instances (or suspicions) of attempts at bribery should be reported as soon as possible to the Head of Risk and Compliance or Director of Finance. A full written account should be provided as soon as is practical.
- 13.2 Any person who does not feel comfortable doing so should speak to the Chief Operating Officer or Chief Executive Officer or use the email address found on the cover page of this Policy. Please refer to the **Whistleblowing Policy** for further details of the processes the Academy has in place.
- 13.3 If any instance of potential bribery or corruption is discovered, the management of the Academy will investigate thoroughly (and will instruct an independent party to investigate where appropriate) pursuant to the Response Plan found at **Appendix 2** to this Policy.
- 13.4 Where it is clear that bribery has taken place, the management of the Academy will take robust and prompt action against the individual(s) involved (including disciplinary action up to and including termination of employment and reporting the relevant law enforcement authority as appropriate) in addition to taking all appropriate measures to eradicate it.

- 13.5 Where appropriate and following consideration by the Chief Operating Officer and outside legal counsel were felt necessary, the Academy will report any actual or potential illegal activity to law enforcement authorities, including any instances of bribery.

The Head of Governance, Risk and Compliance will maintain a record of all reports of bribery and corruption received and their conclusion. This information will be made available immediately to the Chief Operating Officer who will decide the appropriate course of action in each instance, including reporting the matter to the Trustee Board.

- 13.6 Investigations should look to identify any necessary improvements in the Academy's policies and processes to reduce risk of repeated incidents.

14. **Learning and Training**

- 14.1 It is important to the Academy that we learn from each other, and from the experiences of other organisations engaged in similar activities, particularly support for innovation and engineering skills development in emerging and developing economies.

14.1.1 The BOND guidelines (June 2011) "Anti-Bribery Principles and Guidance for NGOs" are useful in providing awareness of best practice in the international development sector.

14.1.2 Staff members in international and finance roles will receive guidance on this Policy as part of their induction.

14.1.3 To support organisation learning, the annual report of the International Committee to the Trustee Board will include an overview of any fraud and bribery issues, existing risk mitigations, and lessons learnt.

14.1.4 Staff should be aware that for organisational learning, any experiences will be shared with others within the organisation, anonymised if possible.

14.1.5 This Policy will be made available to everyone at the Academy for reference and guidance purposes through the Academy intranet and will also be published on the Academy external website. All third parties carrying out work for or on behalf of the Academy will also be provided with a copy of this Policy.

15. **Policy Monitoring and Review**

All policy breaches shall be escalated to the inside for further action. Any violations of the policy by employee may be subject to disciplinary action in accordance with the disciplinary process.

Appendix 1 – Potential Red Flags

The following is a list of possible danger signs that may arise during the course of your working for the Academy, and which may raise bribery and/or corruption concerns. The list is not intended to be exhaustive and is simply to give you some concrete examples.

1. A third party insists on receiving a commission or fee payment before committing to sign up to a contract with the Academy or carrying out a government function or process for us.
2. A third party requests an unexpected additional fee or commission to ‘facilitate’ a service, or requests that a payment is made to ‘overlook’ potential legal violations.
3. A third-party request that you/ the Academy provide employment or some other advantage to a friend or relative.
4. A third party insists on the use of side letters or refuses to put terms agreed in writing.
5. A public official recommends that the Academy hires a specific third party.
6. A proposed payment to a third party seems unreasonably high or disproportionate for the services stated to have been provided without a reasonable explanation.
7. A third-party requests that payments be made off-shore; to an unknown party; be split amongst multiple accounts; be made to an account in a country which is different to that where the third party is located or business is to be performed; in cash; or any other unusual financial arrangements.
8. A third-party lacks qualifications or staff to perform the expected services.
9. You discover that a third party has an unsavoury reputation or is not well known in the industry.
10. You discover that a third party relies heavily on political or government contacts instead of technical skills or time invested or has a reputation for having a “special relationship” with government or local government officials.
11. A third party will not agree to terms requiring compliance with anti-bribery or anti-corruption laws.
12. The same third party is repeatedly used for business without any reasonable justification for their repeated appointment.
13. The country in which the relevant business will be conducted is considered to be a high risk location for corruption.
14. 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 the Academy.
15. You are offered an unusually generous gift or offered lavish hospitality by a third party.
16. A relation of yours is offered by a third party payment, gifts or employment in return for your granting favourable treatment to that third party.
17. A third party insists on always meeting at a location which is not one of their business locations and/or does not want to communicate via their company email or landline telephone.
18. A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services.
19. You are asked to give hospitality at which you are asked not to attend.

20. You are offered hospitality at which the giver is not going to attend.
21. You are asked to give hospitality to persons not directly associated with the organisation with which you are doing business (e.g. family members).

Appendix 2 – Response Plan

Reactive

1. All staff should notify their line manager of any financial irregularity, or any circumstances suggesting the possibility of irregularity affecting the financial procedures or property of the Academy.
 - If staff are reluctant to discuss concerns with their line-manager, they may approach the Academy's Chief Operating Officer.
 - Staff may also report any suspicions through the email address complaints@raeng.org.uk . Please include a phrase in the subject line referring to 'anti-bribery'.
 - If the staff member feels unable to raise their concerns internally, they may raise them in accordance with the Academy **Whistleblowing Policy**.
2. The manager to whom a report has been made should ensure that full details of the incident are reported to the Academy's Chief Operating Officer.
3. If not already aware, all reported cases should also be made known to the Finance Director, who has responsibility for Counter Fraud within the Academy.
4. All allegations and reports of fraud, bribery or dishonesty will be investigated, the format of the investigation will be determined by the Finance Director.
5. Where allegations and reports of fraud, bribery or dishonesty relate to the Academy staff the investigation will comply with the Academy's Disciplinary Policy with the rights of the individual reporting the suspected fraud protected. However, any investigation which involves criminal offences must take priority over any disciplinary investigation. The nominated fraud investigator should notify and provide regular updates to HR.
6. In addition, evidence in investigations of alleged fraud and bribery should be secured in a legally admissible format, i.e.:
 - evidence must be carefully preserved.
 - where possible, evidence should not be handled, and no marks should be made on original documents.
 - a record should be kept of anyone handling evidence; and
 - when dealing with staff under suspicion of fraud or bribery prompt action must be taken.
7. Any decision to notify the police and or Action Fraud will be made by the Academy's Chief Operating Officer. Consideration will be given as to whether civil or criminal proceedings should be undertaken in order to protect the Academy interests. Each case will be considered on its own merits in accordance with the expert advice obtained with a view to minimising losses (both monetary and otherwise) to the Academy.
8. Any investigation should be conducted by appropriate accredited counter fraud investigators. In the absence of any suitable resource within the Academy, the Finance Director should contact BEIS in the first instance and request assistance from resources available at GIAA i.e. Insolvency Agency.

9. The Academy Communications Team will be responsible for dealing with any enquiries from the press and other media.
10. The Finance Director will, at an appropriate time, consider the results of the investigations and assess whether there is a weakness in Academy's systems of internal control which needs to be addressed.
11. The Finance Director is required to notify the Audit and Risk Committee of any cases of proven fraud or bribery. This action will be undertaken at the first opportunity following the completion of the initial investigations.
12. The Finance Director is required to notify the relevant government department of any proven fraud.
13. The Finance Director is required to notify relevant funders and Charity Commission of any fraud or bribery suffered by the Academy.

Conclusion

14. Following all fraud investigations a 'lessons learned' report will be produced based on the circumstances and conclusion of the case. Any conclusions in respect of weaknesses in systems and proposed improvements should be implemented as soon as possible.

Proactive

1. The Academy will conduct internal audit assignments where the risk of fraud and bribery will be considered in each business process.