

# Gleadell Agriculture & Dunns (Long Sutton)

## Anti-Competitive Behaviour and Anti-Bribery & Corruption Policy

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# Introduction

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The purpose of this policy is to:

- Set out the responsibilities of the Company and employees in observing and upholding the Company's position regarding anti-competitive behaviour and bribery and corruption.
- Provide information and guidance to those working for the Company on how to recognise and deal with anti-competitive behaviour, bribery and corruption issues.

**Gleadell Agriculture Ltd/Dunns (Long Sutton) Ltd has a zero tolerance policy towards anti-competitive behaviour, bribery and corruption. This policy extends to all the Company's business dealings and transactions in all countries in which it operates.**

**Gleadell Agriculture Ltd/Dunns (Long Sutton) Ltd observes and complies with all its statutory obligations with regard to anti-competitive behaviour and anti-bribery and corruption.**

Any employee who breaches this policy will face disciplinary action, which could result in their dismissal for gross misconduct. Any non-employee who breaches this policy may have their contract terminated with immediate effect.

This policy does not form part of any employee's contract of employment and we may amend it at any time

## 1. [Anti-Competitive Behaviour](#)

### 1.1 [Competition Law](#)

Competition law is designed to protect businesses and consumers from anti-competitive behaviour. The law stimulates effective competition in order to deliver open, dynamic markets and enhanced productivity, innovation and value for customers. All businesses must comply with competition law and there can be serious consequences for businesses and individuals (including directors) for non-compliance. *Articles 101 and 102 of the EC Treaty/Enterprise Act 2002 / Competition Act 1998.*

There are three key things we should be aware of in our own and competitors' businesses:

- Cartels.
- Other potentially anti-competitive agreements.
- Abuse of a dominant position.



## 1.2 Cartels

These are the most serious types of anti-competitive agreements, where two or more businesses agree (whether in writing or otherwise) not to compete with each other.

*Examples of anti-competitive agreements are:*

- Prices - directly or indirectly fix purchase or selling prices or any other trading conditions
- Output levels - limit or control production, markets, technical development or investment.
- Discounts - apply dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage
- Credit terms
- Which customers they will supply
- Which areas they will supply
- Who should win a contract (bid rigging)
- Share markets or sources of supply
- Agreements between a company and its customers which relate to the terms on which customers can resell its products, for example with respect to prices.
- Intellectual property licensing agreements containing exclusivity provisions, particularly with competing businesses.
- Agreements involving standardisation.
- Agreements involving joint selling or purchasing.
- Agreements involving collaboration with competitors.

**NB This is a non-exhaustive list, if you have any queries or doubts then please speak with a Company Director.**

Each of the above types of agreement is prohibited by the Competition Act and Article 101 of the EC Treaty. Cartels can involve goods or services at the manufacturing, distribution or retail level.

## 1.3 Other potentially anti-competitive agreements

Agreements (whether in writing or otherwise) that:

- Involve joint selling or purchasing with competitors
- Involve a retailer agreeing with its supplier not to sell below a particular retail price.
- Agreements that have a long exclusivity period (over five years).



## 1.4 Abuse of a dominant position

A business that enjoys substantial market power over a period of time might be in a dominant position. The assessment of a dominant position is not based solely on the size of the business and/or its market position. Whilst market share is important (a business is unlikely to be dominant if its market share is less than 40 per cent) it does not determine on its own whether a business is dominant. A business is only likely to hold a dominant position if it is able to behave independently of the normal constraints imposed by competitors, suppliers and consumers. Having established that a business is dominant, anti-competitive conduct which exploits consumers or tends to have an exclusionary effect on competitors is likely to constitute an abuse.

Examples of the type of conduct that may fall into this category for a dominant business include:

- Charging prices so low that they do not cover the costs of the product or service sold.
- Offering different prices or terms to similar customers without objective justification.
- Refusing to supply an existing or long standing customer without objective justification.

**NB This is a non-exhaustive list, if you have any queries or doubts then please speak with a Company Director.**

This type of conduct is prohibited by the Competition Act and Article 102 of the EC Treaty.

## 1.5 What happens if the law is broken?

Businesses that are found to have breached competition law can be fined up to 10 per cent of their annual worldwide turnover and ordered to change their behaviour. Individuals who dishonestly engage in cartel activity can be prosecuted and sentenced to up to five years in prison and/or a fine. Company directors can be disqualified from managing a company for up to 15 years.

## 1.6 Company position

The Company has committed to ensuring that its business is conducted in an honest and ethical manner complying with competition laws wherever we do business. The Company is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates and to implementing and enforcing effective systems to counter any breaches in competition law. This is reflected throughout the Company's policies, covering areas such as reporting, review of procedures, risk assessment and internal audit



processes. In addition the Company's procedures are regularly revised to cover changes in the law and in the Company's business.

### 1.7 Identifying the Risks

The company will implement a risk assessment to identify all the areas where there is a risk our business could breach competition law; the identified risks will be classified as low, medium or high. The assessment will also consider which employees are in high risk areas.

### 1.8 Mitigating the Risk

All Gleadell employees have received or will receive instruction in competition law including this policy document and associated risk assessment. Risk will be managed by internal control systems, procedures and training.

Employees are expected to comply with the laws detailed in 2.1 and to conduct our commercial activities in a fair and ethical manner.

### 1.9 Monitoring and Review

This policy will be monitored and reviewed regularly with regard to its suitability, adequacy and effectiveness. Any improvements will be communicated to all employees. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering any potential breaches of the Competition law. The policy will be updated to keep in line with relevant legislation

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 Managing Director.

## 2 Bribery and Corruption

### 2.1 What is Bribery?

Bribery is a criminal offence. Bribery and corruption is governed by the Bribery Act 2010. Committing an offence is punishable for individuals by up to ten years' imprisonment and if the Company is found to have taken part it could face an unlimited fine, have up to its entire turnover confiscated by the courts, be excluded from tendering for public contracts and face damage to its reputation. The Company therefore takes its legal responsibilities very seriously.

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. It is an offence to offer or accept a bribe or allow it to occur on your behalf.

- Definition from Serious Fraud Office:

"Giving or receiving something of value to influence a transaction."



- Definition from Ministry of Justice:  
"By giving someone a financial or other advantage to encourage that person to perform their functions/activities improperly or to reward that person for having already done so."

It is not acceptable for you (or someone on your behalf) to:

- 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;
- 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;
- 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;
- 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;
- threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- engage in any activity that might lead to a breach of this policy.

## 2.2 Company Position

The Company has committed to ensuring that its business is conducted in an honest and ethical manner and in particular to not giving or receiving bribes. The Company is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates and to implementing and enforcing effective systems to counter bribery.

This is reflected throughout the Company's policy, covering areas such as gifts, hospitality, reporting and review of procedures, risk assessment and internal audit processes. In addition the Company's anti-bribery procedures are regularly revised to cover changes in the law and in the Company's business.

## 2.3 Who is covered by the policy?

This policy applies to all individuals working at all levels and grades, including Directors, Senior Managers, employees (whether permanent, or temporary), brokers, agents, consultants, contractors, agency staff, third parties and any other person associated with the Company or its employees wherever located (together referred to as "employee" in this policy document).

## 2.4 Responsibility, Guidance and Reporting

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Company and under its control.



Any employee must immediately notify and seek guidance from, their line manager or a Company Director if they are approached or encouraged in any way to offer, or take, a bribe, or if they believe or suspect that a conflict with this policy has occurred or may occur in the future. This is so even if an employee is unsure whether something would constitute a bribe contrary to the Company's stated policy.

If an employee becomes aware of any matter which may not involve or affect them directly, but involves or affects the Company or someone else in the Company, which may be contrary to the Company's stated policy, the matter must be reported to the relevant line manager or a Company Director.

## 2.5 How does the Policy affect Employees?

All employees are required to comply with the Company's policy relating to bribery and any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct.

## 2.6 Whistle blowing

Employees who refuse to accept or offer a bribe or those who raise concerns or report another's wrong doing are sometimes worried about possible repercussions. The Company aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if it turns out to be a mistake.

It is the Company's policy that no employee will suffer demotion, penalty or other adverse consequences for refusing to take part in bribery or corruption, or as a consequence of making a report in good faith that they have a suspicion of actual or potential bribery or corruption or that it may do in the future even where such refusal may result in the Company losing business.

## 2.7 Training and Communication

Training on this policy will form part of the induction process for all new employees. This policy will be communicated to all existing employees.

The policy will be reviewed annually and updates/training communicated to staff.

The Company's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, customers, contractors and business partners at the outset of any business relationship with them and as appropriate thereafter.

## 2.8 Monitoring and Review

This policy will be monitored and reviewed regularly with regard to its suitability, adequacy and effectiveness. Any improvements will be communicated to all employees. Internal control systems and procedures will be subject to regular





audits to provide assurance that they are effective in countering bribery and corruption.

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 Managing Director.

## 3. Gifts and Hospitality

This policy does not prohibit normal and appropriate hospitality given to or received from third parties.

### 3.1 What is a gift or hospitality?

A gift is any item of cash, goods or services which are offered for personal benefit at a cost which is less than its commercial value or at no cost at all.

Hospitality or entertainment is a generous or material welcome or invitation to participate in an event or the offer or provision of any facility which is more than of an incidental nature, such as a drink or light refreshment.

### 3.2 Gifts

The Company recognises that the receipt of "small gifts", such as inexpensive pens, diaries, calendars, mugs and mouse pads, is a normal part of business practice, particularly at Christmas time. These small occasional gifts may be given or accepted.

Any gift that falls outside of "small gifts" stated in **Gifts 3.2** are not permitted and should not be accepted by any employee. If an employee is in any doubt as to what is acceptable, the employee should report the matter to his or her line manager who will confer with a Company Director.

### 3.3 Hospitality

Occasionally there will be circumstances where it would be appropriate to give or accept hospitality. However; all hospitality (whether given or received) must be approved in advance by the Managing Director or PR & Marketing – see Clause 3.4.



### 3.4 Hospitality - What is acceptable?

Hospitality is likely to be considered to be appropriate and permissible if, **as a minimum**, it:

- is made for the justifiable reason (e.g. act of appreciation or genuine business purpose).
- does not place the recipient under any obligation.
- does not create an expectation on either the host or recipient.
- is made openly, not secretly.
- is appropriate in all the circumstances.
- is proportionate / commensurate with the relationship between the host and the recipient.
- is legal.
- is infrequent.
- is reported, approved (**see 3.2 and 3.5**) and the reasons documented; and
- is valued at no more than £150 per individual or company within any rolling 12 month period.

### 3.5 Marketing & PR Sponsorship

The company recognises that sponsorship of local events and organisations, plays a crucial role in its overall brand recognition, throughout the supply chain. In line with the approved annual marketing and PR budget, spend allocations are made, on an annual basis (July to June) to Farm Traders, Product Managers and Regional Business Managers to utilise where appropriate, providing that the sponsorship;

- is made for justifiable reasons
- does not place the recipient under any obligation
- is made openly, not secretly
- is legal
- is infrequent
- is reported and approved using form 'External Marketing/PR Support Request Form GA/QP26A' – see Addendum 1

To submit a marketing/sponsorship request, complete 'External Marketing/PR Support Request Form' (see below) and email to the PR/Marketing Co-ordinator (Angela.Spencer@gleadell.co.uk) for review.

Sponsorship must only be confirmed with the recipient organisation upon Approval from the PR/Marketing Co-ordinator.

## 4 Advice

If an employee is in any doubt as to what is acceptable, the employee should report the matter to his or her line manager who will confer with the Managing Director for consideration and authorisation.



## 5 Responsibility

Employees are personally responsible for reporting any gifts or hospitality offered and received. Information must be passed onto Claire Holmes who will maintain a record of all offers of gifts or hospitality so the position is monitored and the policy can be reviewed.

## 6 Facilitation (“Grease” / “Kickbacks”) payments

We do not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, 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 in which we operate.

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 which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with your Manager.



**External Marketing / PR Support Request Form**

Farm Trader

Regional Manager

Product Manager

Employee Name	
Recipient Organisation	
Recipient Contact Name	
Proposed Sponsorship Amount (£)	
Date of Event	
<u>Sponsorship Objectives</u>	

I confirm that I have read and understood the Company's Anti-Bribery & Corruption Policy

Upon completion, please send to **Angela.Spencer@gleadell.co.uk** for review.

Signed: -----

Name: -----

Date: -----

<b><u>PR DEPARTMENT USE ONLY</u></b>	
Request authorised	YES / NO * (If no, give reason below)
Reason for declined application:	
Date payment made:	

