



## **CottonConnect Anti-Bribery and Corruption Policy**

### **1. Introduction from the CEO**

“The aim of CottonConnect is to transform the world’s cotton for good. We do this with a strong social and ethical purpose at the heart of our operations. It is our policy to conduct all of our business with high ethical standards, as well as upholding all relevant country laws to prevent bribery and corruption. This policy provides further explanation of our systems to counter bribery and corruption. We believe in operating worldwide in an honest and ethical manner and therefore require all employees and anyone acting on behalf of CottonConnect to read and comply with this policy.”

Alison Ward, CEO, CottonConnect

#### **To manage the risk of bribery we will:**

- Identify any business activities where the Policy might be relevant
- Assess whether CottonConnect is at risk and, if so, the level of that risk
- Use due diligence to assess who we are dealing with and who we appoint to represent us, ensuring that **all** suppliers are aware of our Anti-Bribery and Corruption Policy
- Ensure all employees, associates and partners representing CottonConnect have been trained and are aware of the Anti-Bribery and Corruption Policy.

### **2. Objective of this Policy**

The purpose of this policy is to ensure CottonConnect’s employees, partners and suppliers are vigilant in preventing bribery and corruption in their business dealings and to ensure that CottonConnect operates in a socially responsible manner. This Policy reflects the legal requirements under the UK Bribery Act 2010, Anti-Bribery and Corruption Policies of retailers and manufacturers, and Anti-Bribery Principles for NGOs, as we are a company with a UK headquarters; however this policy applies to all our operations internationally.

### **3. Scope**

CottonConnect’s Anti-Bribery and Corruption Policy is mandatory for all CottonConnect’s employees, agencies, contractors, intermediaries, suppliers, partners, volunteers or any other person working on behalf of CottonConnect anywhere in the world.

#### **4. What happens if this policy is not upheld?**

Disciplinary action may be taken against any employee who fails to comply with the Anti-Bribery and Corruption Policy, up to and including dismissal. Work will cease with agents or partners who fail to comply with the Anti-Bribery and Corruption Policy.

Violating national laws that prohibit bribery is a serious criminal offence which can lead to significant civil and criminal penalties.

#### **5. What is bribery?**

Bribery is the offering, promising, giving, accepting or soliciting of an advantage (for example money, a gift, loan, reward, favour, commission or entertainment) as an inducement for action which is illegal or a breach of trust. The UK Bribery Act 2010 sets out four bribery offenses:

- Attempting to pay a bribe
- Receiving a bribe
- Bribing foreign public officials
- Failure by a business to prevent bribery

#### **6. Repercussions of corruption or bribery**

Any incident of corruption or bribery or even an investigation into such would have a very damaging impact on CottonConnect's reputation. It would compromise CottonConnect's trustworthiness with potential and existing customers and partners and affect the ability to operate in its chosen markets and regions.

The Bribery Act 2010 came into force in the UK on 1 July 2011. Under that Act, bribery by individuals is punishable by up to ten years' imprisonment and/or an unlimited fine. If the firm is found to have taken part in the bribery or is found to lack adequate procedures to prevent bribery, it too could also face an unlimited fine.

#### **7. Policy**

CottonConnect employees or anyone acting on behalf of CottonConnect must not engage in any form of bribery, either directly or through any third party anywhere in the world. This includes the following bribes or kickbacks:

##### **a) Facilitation payments**

Facilitation payments are a form of bribery, usually small cash payments made to low level officials, to facilitate a routine action that one would normally be entitled to. CottonConnect employees must never offer, pay, solicit or accept facilitation payments.

## **b) Gifts and hospitality**

CottonConnect employees must not offer or give any gift or hospitality:

- Which could be regarded as illegal or improper, or which violates the recipient's policies
- To any public employee or government officials or representatives or politicians or political parties
- The value of which exceeds GBP 20 / INR 1000 / CNY 200 for a gift, and all gifts under this amount should be declared on the gift list
- In cash
- If there is any suggestion that a return favour will be expected or implied.

What is considered as an acceptable gift may vary according to country and region. The intention behind the gift should always be considered and whether the gift is reasonable and justifiable. If it is not appropriate to decline the gift, the gift may be accepted provided it is declared to the company and donated to charity.

## **c) Political contributions**

CottonConnect does not make donations, whether in cash or kind, in support of any political organisation or independent candidates, as this can be perceived as an attempt to gain an improper business advantage.

## **d) Charitable donations**

CottonConnect will make charitable donations through the company and care must be taken to ensure that donations are not used to gain improper advantage. No donation must be offered or made without prior consent from the CEO.

## **8. Working with third parties**

CottonConnect employees should make sure that any third parties that are hired will not make, offer or receive bribes on behalf of CottonConnect. All fees paid to third parties should be for services provided and records of all payments must be kept. All third parties working with CottonConnect should be given this policy and required to confirm acceptance.

## **9. Responsibilities**

All employees and people acting on behalf of CottonConnect must:

- Ensure that they read, understand and comply with this policy
- Keep financial records and document business reasons for making payments to third parties
- Declare and keep a written record of all hospitality or gifts accepted or offered, which must be in accordance with this policy
- Keep accurate accounts of all transactions with third parties to ensure no concealing of improper payments. All payments received or made must pass through CottonConnect's finance department.

## **10. Intellectual Property**

Intellectual property rights establish property protection over intangible things such as ideas and information which otherwise cannot be protected. Intellectual property can arise from contracts of employment or letters of agreement with CottonConnect.

CottonConnect observes laws and regulations associated with patent law, copyright law and other intellectual property rights laws and protects the results of intellectual activities with intellectual property rights.

### **Ownership of intellectual property:**

All work carried out by employees which they are required to produce under the terms of their employment contract or can reasonably be expected to produce under the terms of that contract is the intellectual property of CottonConnect. This is the case even if the work created by an employee is created in their own time and using their own resources.

Where an employee creates a copyright work in the course of their employment, they have no statutory right to share in the financial success of their work unless they have entered into a separate agreement with CottonConnect.

### **Security of intellectual property:**

- CottonConnect asserts its copyright to all new and pre-existing documentation.
- Employees must on no account hand over documents which could be used by another organization.
- Employees must ensure that documents are safely stored so that others cannot have access to them.
- Staff leaving CottonConnect's employment must not take CottonConnect copyright documentation with them when they leave.

### **Abuse of intellectual property:**

Members of staff who are in breach of this policy will be judged to have committed gross professional misconduct.

## **11. Additional Employment**

If an employee wishes to engage in any other trade or business activity of commercial nature he or she will have to agree this with their Line Manager prior to engaging in the activity.

Employees are not permitted to work for a competitor. Employees are expected to be committed to CottonConnect and additional employment must not be taken if it may affect a person's ability to carry out their job.

Employees should not spend time on their additional employment during CottonConnect's normal business hours or use CottonConnect's assets for anything other than CottonConnect's business.

## **12. How to raise a concern of bribery**

Anyone concerned about any form of bribery, corruption, improper action or wrongdoing by CottonConnect, its employees or third parties working with CottonConnect is required to report the matter to the CEO immediately. CottonConnect stresses that any employee with knowledge of wrongdoing should not remain silent. All matters of malpractice, improper action or wrongdoing are very serious and employees are strongly encouraged to raise such incidents or behaviours as soon as possible.

If an employee believes they are a victim of bribery or corruption, they should tell Alison Ward, CEO as soon as they are offered or asked to make a bribe or believe they are a victim of any form of unlawful activity, or contact the grievances and complaints email address below.

## **13. Training and communication**

Training on this policy forms part of the induction process for all new employees. All existing employees will receive regular, relevant training on how to implement and adhere to this policy. In addition, all employees will be asked to formally accept conformance to this policy on an annual basis.

The policy is included as part of the contractual agreement with all suppliers, contractors and business partners.

## **14. Grievance and Complaints Mechanism**

CottonConnect aims to operate with the highest standards of ethics, honesty and integrity. If you would like to report any allegations, complaints or violations of our standards, please email [grievancesandcomplaints@cottonconnect.org](mailto:grievancesandcomplaints@cottonconnect.org). To ensure objectivity, all information will be kept confidential all cases will be dealt with by staff members who were not involved in the case.