



Anti-Bribery and Corruption Policy

Purpose

The purpose of this Anti-Bribery and Corruption (ABC) Policy (“Policy”) is to ensure that the Investment Migration Council (“IMC” or “Council”) delivers on its commitment to fostering improved standards and an anti-corruption culture within the global investment migration industry.

The aim of this policy is to set out the responsibilities of its members (“Members”) in observing and upholding the Council’s position on this matter and to provide information and guidance on how to recognise and deal with breaches, thus complying with all applicable anti-bribery and corruption laws and regulations.

This ABC Policy encourages Members to adopt and implement policies and procedures that are robust and proportionate to their size, complexity and the range of risks they face. Furthermore, Members should ensure their policies and practices are compliant with the IMC Code of Ethics and Professional Conduct at all times (available from the official IMC website).

Policy Statement

“**Bribery**” is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action that is illegal, unethical, in breach of a duty to act in good faith or a breach of trust.

“**Corruption**” is the abuse of entrusted power or position for private gain. For the purpose of this Policy, references to bribery shall include corruption where appropriate and vice versa.

A “**Member**” includes any individual, organization, corporate or government that is a member of the Council.

“**Third Parties**” are all agents, brokers, partners, distributors, consultants, suppliers, contractors, service providers, joint venture partners and any other individuals or entities providing services for or acting on behalf of the Members.

The Council aims to create and maintain a trust-based and inclusive internal culture in which there is zero tolerance for bribery and corruption. For this purpose, its Members should conduct themselves in an honest and ethical manner and be committed to acting professionally, fairly and with integrity in all their operations and to implementing and enforcing effective systems to counter bribery and corruption. Accordingly, they should uphold the laws relevant to countering these issues in all of the jurisdictions in which they operate. In particular, this ABC Policy is set up in compliance with the 1997 OECD Anti-Bribery Convention and with the 2003 United Nations Convention Against Corruption. In addition, it meets the requirements of the US Foreign Corrupt Practices Act and of the UK Bribery Act 2010.



The Bribery Act 2010 created a framework of five criminal offences: (a) giving, promising and offering of a bribe; (b) agreeing to receive or accept a bribe; (c) bribing a foreign official; (d) failure of commercial organisations to prevent bribery; and (e) a senior officer of a commercial organisation consenting to or conniving in an act of bribery.

Bribery and corruption by individuals are punishable by both fines and imprisonment, depending upon the jurisdiction. Furthermore, the reputational impact for a Member that is linked to a bribery prosecution, or even just an investigation, could be very damaging, for the Member itself as well as for the investment migration industry as a whole.

Scope

This Policy applies to all Members and Third Parties (as defined in section 2), whether they are individuals, organizations, corporates or governments.

1. High-level Commitment

There should be a high-level commitment to establishing a culture across the Membership in which bribery is unacceptable. For this purpose, Members should put in place a clear policy statement demonstrating their commitment to preventing corruption. It should be unambiguous and communicated regularly to staff, partners and other stakeholders. Furthermore, Members should ensure that their annual statutory statement of risks fully considers risks related to bribery and corruption and that their ongoing oversight of risk management addresses this issue.

2. Risk Assessment

Members should adopt a risk-based approach (RBA) to managing bribery and corruption risks and put in place policies and procedures that are robust and proportionate to the risks they face. Hence, bribery risk assessment should form part of each Member's overall risk management process.

The RBA should involve five different steps:

- i. identification of the risks;
- ii. assessment of the risks;
- iii. design and implementation of systems and controls to mitigate those risks;
- iv. monitoring of existing systems and controls;
- v. record keeping.

Different risk levels are linked to the size, nature, and complexity of Member's activities, as well as to the type and nature of the persons associated with it. Furthermore, in order to adopt adequate



anti-corruption measures, Members should always take into account both external and organizational risk factors. As a matter of fact, consideration of geographical, cultural and sectorial factors is essential in determining the different risks each Member faces. In addition, in order to avoid legal prosecution and reputational damage, all Members should assess the operational risks arising from any potential inadequacy or ineffectiveness of existing policies and procedures.

3. Implementation of Robust Anti-Bribery Procedures

In designing their anti-bribery policies and procedures, Members should always include an anti-bribery statement articulating their commitment to maintaining high ethical standards and preventing bribery. Furthermore, they should prohibit all forms of bribery, whether they take place directly or through Third Parties, and provide specific policies and procedures informed by the outcome of their risk assessment.

Generally, risk areas will include facilitation payments, extortion and payments under duress, political contributions, charitable donations and sponsorships, hospitality, gifts and expenses. As regards facilitation payments, Members should recognize them as bribes and they should work to identify and eliminate them. Moreover, they should prohibit the offer or receipt of gifts, hospitality or expenses whenever they could affect or be perceived to affect the outcome of business transactions and are not reasonable and bona fide. In addition, Members should not make direct or indirect contributions to political parties, organisations or individuals engaged in politics as a way of obtaining advantage in the implementation of their activities, and in any case they should publicly disclose all of their political contributions. Eventually, they should publicly disclose charitable contributions and sponsorships and should also ensure that such contributions and sponsorships are not used as a subterfuge for bribery.

3.1. Assessment of partners, agents and contractors

All Members should assess the bribery risk associated with entering into partnership or contracting arrangements with other entities and then carry out periodic due diligence based on that risk assessment. Partnership or contractual arrangements should check that these entities have procedures which are consistent with their anti-bribery policies and procedures.

3.2. Record keeping

After recognizing that bribery may occur despite a zero tolerance policy, Members are recommended to keep a record of any bribes offered, made, solicited or received. Recording and monitoring incidents would allow Members understand threats to their activities. It is recommended that they maintain a register or log of attempted bribes, actual bribes, frauds and similar losses and financial irregularities. This can be used to inform the risk management process and could help ensure that any control measures put in place are proportionate to the risk. It could also help ensure that any regulatory reporting requirements are met.



3.3. Reporting

Members should ensure that they have a mechanism for reporting serious incidents internally, including bribes and attempts to bribe. They should also consider putting in place policies and procedures for reporting cases of bribery externally. Furthermore, they should encourage openness and support for anyone who raises genuine concerns in good faith under their policies.

3.4. Investigation

Any instances of actual or potential bribery should be properly and promptly investigated. To enable proper investigation, staff should be required to record the details of any bribery or requested or attempted bribery as soon as possible after the event. The objectives of an investigation should be: to confirm whether or not a bribe has taken place, and to identify who was responsible; to confirm whether internal controls and anti-bribery procedures have worked in practice; to identify any improvements required to anti-bribery procedures, and to modify such procedures accordingly. Members should also determine the appropriate subsequent action, depending on the findings of the investigation. This may include disciplinary procedures and external reporting to the authorities.

4. Dissemination and Communication

Members should establish effective internal and external communication of their anti-bribery policy and procedures. They should undertake training and awareness programmes to ensure staff, agents and partners are aware of the potential risks, how bribery may affect them, what they should do if they are offered a bribe and the consequences of making or receiving a bribe.

5. Monitoring and Evaluation

Implementation of anti-bribery procedures should be monitored as part of overall risk management and internal control processes. In order to determine whether they are suitable, adequate and effective, periodic reviews of anti-bribery procedures should be made and reported as part of governance and accountability processes. Organisations that are exposed to higher risks should consider external verification and assurance of their anti-bribery procedures.

In addition to regular routine monitoring, reviews may be triggered by changes in the law, governmental changes in countries in which a Member operates, an incident of bribery or a breach of the anti-bribery programme has occurred, negative press reports, and changes in typical indicators of bribery and corruption.