

Gifts & Hospitality Policy

What is this Policy About?

We need to ensure a clear and transparent approach is taken to the offering or accepting of gifts and hospitality from external third parties, organisations and individuals.

Genuine business hospitality that is reasonable, proportionate and justifiable is acceptable but if you're offered gifts or hospitality, or you're thinking about offering them to someone else, stop and think about any potential consequences. It is also worth remembering that any gifts and hospitality we receive have an eventual impact on costs into our supply base and we would much prefer better value for our customers and members.

We have a zero-tolerance approach to bribery and we need to ensure that no-one working for the Co-op, or on our behalf offers or receives what could be considered a bribe.

All colleagues are reminded of the Business Code of Conduct and HR Disciplinary policy regarding Co-op expectations of behaviour and conduct.

Incidents of bribery will be investigated and could result in disciplinary action and the matter possibly being referred for criminal prosecution.

What are Gifts & Hospitality?

Gift - any item or service for which financial payment is not required and is offered by, or provided to, any external third party. It also includes gifts that are used as charitable donations.

Hospitality - any event or activity paid for or hosted by an external third party, or any event or activity hosted for an external party which is paid for by the Co-op. This includes travel, accommodation, sporting events, evening dinners, awards ceremonies and activity-based days.

Third parties – customers, contractors, consultants or other companies and organisations (including their employees, families and close friends) with whom a business relationship, whether current, prospective or historic exists.

Who does this policy apply to?

This policy applies to all colleagues including contractors, consultants and agency workers.

What can I accept?

Colleagues are trusted to do the right thing, in terms of the gifts or hospitality accepted, but the following policies apply to help that decision process;

- **Under £30 doesn't require prior approval.** This could include inexpensive business lunches, a box of chocolates which is shared with the team or cheap promotional material from a supplier/contractor, i.e. coasters, post-it notes or pens.

Note that there is still a requirement to record any acceptance by completing the [Gifts & Hospitality Register](#).

Incidental, low value drinks like tea, coffee, soft drinks or snacks offered to or accepted from third parties do **NOT** need to be recorded if it is in accordance with the normal course of business and can be reciprocated.

- **£30 to £200 requires prior approval of line manager (Grade C or above).** The Gift must be reasonable and proportionate. There must be a business reason for accepting and justification approved by a line manager (Grade C or above). Authority to accept should be sought by completing the [Gifts & Hospitality Register](#).
- **Over £200 requires the approval of a member of the Co-op Executive or a direct report of a member of the Co-op Exec.** The Gift must be reasonable, proportionate and justifiable. There must be a business reason for accepting and authority should be sought by completing the [Gifts & Hospitality Register](#).

What can't I accept?

- Under no circumstances can money in all its forms (cash, cheque or voucher) be accepted.
- Under no circumstances should hospitality be accepted where it is not reasonable, proportionate or there is no real justification, or where it could be perceived as a bribe, or where acceptance would be inappropriate.
- Tickets to sporting events and concerts should not be accepted **unless there is business justification and the supplier is also present with colleagues at that event**. This type of hospitality is subject to a **maximum of 4 occasions per calendar year**. Under no circumstances should tickets to such events be accepted if they are for the sole use of the colleague(s), however please note the special circumstances described below in the case of festivals, which are used for colleague Reward & Recognition purposes.
- Under no circumstances should Co-op colleagues accept funding from a third party for any Co-op colleague-only social event.
- Where there is a desire to hold a joint celebration with third parties, authority and guidance should be sought from the relevant member of the Co-op Executive or a direct report of the Co-op Executive before any offer or acceptance is made for gifts, hospitality or funding.

If you are in any doubt as to whether there is justification, please consult with your line manager or the Corporate Risk, Investigations and Partnership Manager in Coop Risk.

What if I decline the gift or hospitality?

We understand that some colleagues are continually offered hospitality or gifts as they maintain business relationships with our 3rd party suppliers and organisations. There is no requirement to record the fact that hospitality or gifts have been declined, unless there is a belief, suspicion or perception that accepting could be deemed as a bribe or inappropriate conduct.

Are there any tax implications to accepting hospitality or gifts?

Whilst hospitality accepted by any colleague is specifically exempt from any tax or national insurance implications, there are restrictions on the total value of gifts allowed to be accepted by a colleague on an annual basis from the same source. A tax charge may arise on a colleague where we as Employers have entered into arrangements that results in a colleague receiving hospitality or a gift. If you are in any doubt, please contact the employment tax manager in the Co-op Tax team.

What else may be relevant?

- No gift or hospitality can be accepted where conditions, whether expressed or implied, are attached or where acceptance may conflict with our duty to our members and customers.
- The offering or acceptance of any gifts or hospitality from a foreign public official must be referred to the Legal team, PRIOR to acceptance, to ensure that foreign bribery laws are adhered to.
- On occasions, tickets to events (eg Festivals, at which we have opened a store) are provided to colleagues by their Co-op leaders for reward and recognition purposes. These rewards are given at the discretion of the Co-op Executive, or their direct report, no supplier would be present, and the colleague is NOT required to disclose this on the register if the Reward is provided by the Co-op for this specific reason.
- Gifts and hospitality will not, generally, be also for the benefit of a person connected to Co-op colleague (this includes spouses, partners and close relatives or friends). However, suppliers do, occasionally also invite connected persons, in which case consideration should be given to the appropriateness of the offer and the express permission of a member of the Co-op Executive or their direct report, must be provided in advance.
- Money (in any forms e.g. cash, cheques, vouchers) must not be offered or accepted as a gift.
- Soliciting i.e. requesting or prompting the offer of a gift, hospitality or inducement is unacceptable.
- No gifts or hospitality should be offered to, or accepted from political parties without prior, written consent from the Director of Campaigns and Public Affairs.
- Management Information will be provided to relevant Managers to monitor the frequency of gifts and hospitality accepted by their teams. Acceptable frequency is at the discretion of the approving line manager (Grade C or above) and will depend on the role of the individual colleague.

Who does what?

All colleagues have the responsibility to:

- Ensure they complete the Gifts and Hospitality Register when accepting anything under £30.

- Ensure they complete the Gifts and Hospitality Register **and** obtain the appropriate level of approval required by this policy **before** offering or accepting gifts and hospitality above £30.
- Inform their line manager (Grade C or above) if money or any form of inducement is offered by a third party
- Report potential breaches and / or suspicious activity. If necessary, this may be done 'in confidence' by following the 'whistleblowing' policy and procedures.

All managers have a responsibility to:

- Monitor the gifts and hospitality within their teams
- Apply an informed decision-making approach to the approval of gifts and hospitality and to notify colleagues promptly of their decision
- Escalate any suspicious activity to their line manager in the first instance (if appropriate, concerns may be raised in confidence via the whistleblowing procedures detailed in the whistleblowing policy).

Co-op Risk is responsible for defining the Gifts & Hospitality Policy. They will also provide oversight and the reporting framework.

Reporting concerns

If you think you've been offered a bribe, forced to accept a bribe or asked to make a bribe, you must report this as soon as possible to your line manager and Co-op Risk or by calling our confidential whistleblowing number on 0800 374199, or wrs.expolink.co.uk/coop

Where do I go for more information?

- The Financial Crime Policy.
- Anti-Bribery policy
- Financial Crime Computer Based Training (CBT)
- Travel & Expenses Policy
- Whistleblowing Policy
- Business Code of Conduct (Including Code of Conduct for Co-op Insurance)
- Procurement Policy
- HR Disciplinary Policy.
- Bribery & Corruption Control Standard (Coop Insurance)
- Gov.UK – Expenses and Benefits

Disclaimer

This policy is not intended to be comprehensive, but to act as a guide. Should you have further questions about gifts & hospitality, please speak to your manager or Chief Risk Officer, Co-op Risk via crimeandsecurity@coop.co.uk. This policy does not form part of your employment contract and may be withdrawn or amended at any time

Appendix

Exemption / Waiver / Breaches Process

There is no dispensations or waiver from this policy. Any breaches to this policy should be reported immediately to the Chief Risk Officer, Co-op Risk via ermfenquiries@coop.co.uk.

Version Control

Version:	V2.0	Status:	FINAL	Date of last update:	06/05/2020
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