



Fraud Prevention, Anti-Bribery and Corruption Policy

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Document Control

This is a CONTROLLED document and updates or changes to this document are authorised and then made available on Bamboo.

It is UNCONTROLLED when printed. You should verify that you have the most current version. It is suggested that you check Bamboo for the latest version.

Review Date:	Review Completed by:	Reason for change:
August 2019	Compliance Officer	Handbook update
October 2020	Risk and Controls Consultant	Annual update
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May 2022	Group Risk, MLRO and ESG Manager	Annual update
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January 2025	Group Risk, MLRO and ESG Manager	Annual update
July 2025	Group Risk, MLRO and ESG Manager	GEH template updated for email format, policy streamlining, FTPF enhancements.

Overview

The Law Debenture Corporation p.l.c. and all of its subsidiary companies (the "Group") are committed to conducting their business fairly, honestly and with transparency and in compliance with all legal and regulatory obligations. We expect all Law Debenture directors, employees and anyone acting on our behalf to do the same and to maintain the highest standards of ethical business behaviour. However, all organisations face the risk of things going wrong from time to time. A culture of openness and accountability is essential in order to prevent such situations occurring and to address them when they do occur.

Scope

This policy applies to all persons working for us in the Law Debenture Group, or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located, and regardless of position or length of tenure. All users must understand and adopt use of this policy and are responsible for ensuring the safety, security and compliance of Law Debenture's policy, procedures and systems.

In this policy, "third party" means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

Statement

We operate a strict zero-tolerance approach to fraud, bribery and corruption. All employees are expected to act with integrity, fairness and professionalism in every aspect of our business, regardless of location. We are committed to implementing effective systems to prevent and detect misconduct.

We comply with all relevant laws, including the Fraud Act 2006, Theft Act 1968, Bribery Act 2010, and applicable common law. Employees can report concerns via our Incident Management Policy and Procedures, and confidential whistleblowing channels – refer to our Whistleblowing Policy. Policies are available on the HR portal.

This policy is reviewed annually. It outlines responsibilities for recognising and addressing fraud, bribery and corruption, and provides guidance for staff.

Key Points:

- Offering, accepting, or requesting a bribe, or engaging in fraudulent or corrupt acts, is a criminal offence and may result in imprisonment and/or fines.
- The company may face serious consequences, including unlimited fines and reputational damage, if it fails to prevent such acts.
- Breaches of this policy will be treated seriously and may lead to disciplinary action, including dismissal.

The directors of Law Debenture endorse this policy and will review it annually to ensure it remains an effective way to counter fraud, bribery and corruption. This policy may be reviewed periodically, particularly when new issues or legislation emerge.

Governance responsibilities

- The Board holds overall accountability.
- The Head of Legal, Risk and Compliance, and the Group Risk Manager oversee implementation and effectiveness.

- Managers must ensure staff understand and comply with the policy and report any incidents.

Employee responsibilities

- All staff must familiarise themselves with the policy, complete required training, and remain vigilant.
- Employees must uphold high ethical standards, report concerns, and avoid any behaviour that could be perceived as corrupt or dishonest.
- Non-compliance may result in disciplinary action.

Fraud

Under UK law (the FA 06), fraud can occur through:

- **False representation.** A representation is false if it is untrue or misleading, and the person making it knows that it is, or might be, untrue or misleading.
- **Failing to disclose information.**
- **Abuse of position.** This applies to those occupying a position in which they are expected to safeguard, or not to act against, the financial interests of another person. This offence could be applied to a situation where a trustee, fiduciary or agent defrauds the person(s) to whom they owe relevant duties.

Examples of fraud include, but are not limited to:

- Theft. E.g. identity theft.
- Misuse of funds. E.g. falsifying expenses.
- False accounting. E.g. falsifying financial documents.
- Supplying false information. E.g. providing false references or failing to notify the business of a criminal record.

Attempted fraud is treated as seriously as actual fraud.

The offence is punishable for individuals by up to ten years' imprisonment.

Failure to Prevent Fraud Offence

In accordance with the Economic Crime and Corporate Transparency Act 2023 (ECTA 23), Law Debenture is committed to preventing fraud in all its forms. ECTA 23 introduces a corporate criminal offence for failing to prevent fraud, holding large organisations accountable if an employee, agent, subsidiary, or other associated person such as contractor commits fraud intending to benefit the organisation.

To comply with this legislation, Law Debenture has implemented and continues to enhance a comprehensive fraud prevention framework. This includes:

- Conducting regular risk assessments to identify and mitigate fraud risks across all business areas.
- Delivering mandatory training to all employees and associated persons on recognising and preventing fraudulent activity.
- Establishing clear reporting channels and whistleblowing mechanisms to encourage early detection and response.
- Maintaining a zero-tolerance culture towards fraud, supported by strong leadership and governance.

Practical examples of fraud that could trigger liability under ECTA include:

- An employee fabricates client onboarding documents to secure fees for non-existent services.

- An employee submits inflated expense claims that are approved without proper verification.
- A manager knowingly allows false financial statements to be submitted to a regulator to protect a client relationship.
- An employee submitting false financial information to secure a contract.
- A contractor inflating invoices with the intent to benefit the organisation.

Expectations for Staff:

All employees and associated persons are expected to:

- Act with integrity and transparency in all business dealings.
- Complete all required training on fraud prevention.
- Promptly report any suspected fraudulent activity through the appropriate channels.
- Cooperate fully with any investigations or audits related to fraud prevention.

Law Debenture is committed to maintaining a robust anti-fraud culture and ensuring compliance with all legal obligations under ECTA 23. Failure to comply with these standards may result in disciplinary action and potential legal consequences.

Tax Evasion

Tax evasion is the deliberate or dishonest avoidance of UK or overseas tax. Facilitating tax evasion, by helping someone else to evade tax, is a criminal offence under the UK Criminal Finances Act 2017.

Law Debenture has a zero-tolerance approach to tax evasion in any jurisdiction. All employees and associated persons (including contractors) must not:

- Cheat the public revenue
- Assist or be knowingly involved in tax evasion
- Encourage or enable others to evade tax
- Breach tax laws in the UK or abroad.

Bribery

Under the Bribery Act 2010, bribery includes offering, giving, receiving, or requesting anything of value to influence someone improperly.

Law Debenture prohibits:

- Offering or accepting bribes or gifts for improper purposes
- Undeclared gifts or hospitality
- Unauthorised payments to secure business ("facilitation payments")

Any suspected bribery or corruption must be reported under the Incident Management Policy or via the Whistleblowing Policy.

Facilitation Payments and Kickbacks

Facilitation payments, unofficial payments to public officials to speed up routine actions, are illegal under UK law. Any such request must be referred to the CEO for pre-approval. Approval will only be granted if the payment is transparent and strictly necessary.

Individuals found guilty of tax evasion or bribery may face up to 10 years' imprisonment. The company may face unlimited fines, exclusion from contracts, and serious reputational damage. Breaches of this policy may result in disciplinary action, including dismissal.

Gifts, Entertainment and Hospitality - overview

Modest corporate hospitality and small gifts can support business relationships when offered appropriately. However, care must be taken to avoid any perception of bribery or undue influence. Law Debenture does not make political donations.

To comply with the Bribery Act 2010, we have clear procedures in place to ensure no employee or third party offers or accepts anything that could be seen as a bribe.

Gifts

You must comply strictly with the below:

- Cash or cash equivalents (e.g. vouchers) are strictly prohibited.
- Low-value, token items (e.g. diaries, pens, flowers) may be acceptable.
- High-value gifts (e.g. theatre tickets, jewellery) should be avoided.
- In cultures where gift-giving is customary, seek guidance from your line manager. Such gifts may be donated to charity or raffled internally.

Please see **Financial Thresholds** section and table for what is and is not allowed and what entries in the Gifts, Hospitality and Expenses Register ("GHER") must be made with respect to giving or receiving gifts.

What Types of Gift/Hospitality are Never Acceptable?

The following must never be given or accepted:

- Anything requested by clients or third parties
- Cash or cash equivalents, including gift cards or group cash contributions
- Items that are illegal, offensive, or sexual in nature
- Anything offered on a quid pro quo basis
- Anything that could be seen as unduly influential
- Lavish or extravagant gifts or hospitality
- Offers made during tender or bid processes
- Recurring or reciprocal arrangements

Donations, Sponsorship and Political Contributions

Law Debenture may make donations or sponsor events as part of its corporate social responsibility, but:

- All donations must be ethical, transparent, and justified
- Sponsorships must be documented, for legitimate business purposes, and proportionate
- No political donations are permitted
- We do not sponsor organisations linked to current bids or foreign public officials

Entertainment and Hospitality

You must comply strictly with the below:

- Acceptable if it serves a legitimate business purpose and is reasonable, proportionate and transparent.
- Must not be offered to influence decisions or during tenders/public sector dealings.
- A Law Debenture host must be present—otherwise, it is considered a gift.

How To Report Gifts, Entertainment and Hospitality

- All gifts and hospitality (including those declined) must be reported to your Business Head.
- Business Heads must seek approval from the CEO, who in turn reports to the Chairman.
- Use the **GHER template (Appendix A)** and email it to your manager and gifts&hospitality@lawdeb.com

- The Group Risk Manager maintains the GHER.

Gifts, Entertainment and Hospitality Register

Law Debenture maintains a record of benefits received by employees and applicable third parties. This is maintained by the Group Risk Manager.

Whether the gift/hospitality is accepted or declined, you must follow the procedure set out below:

- Copy and paste the GHER template in Appendix A into an email and populate the details.
- E-mail approval to your Business Head and (or as above for Business Heads to email the CEO), **copying in** gifts&hospitality@lawdeb.com
- Your manager should approve via email and must keep gifts&hospitality@lawdeb.com in cc.
- The Group Risk Manager will update the GHER accordingly.

If it is considered that the gift is excessive or inappropriate, you may be asked to return it or surrender it to the company or donate it to charity, but this is likely only in very exceptional circumstances.

Financial Thresholds

The below applies to the giving/offering or receiving of any gifts or hospitality.

Cash and vouchers are not allowed. This includes making cash contributions to a group gift, see section “What Types of Gift/Hospitality are Never Acceptable?” above.

Item	Value	Procedure
Pens, diary, other branded promotional items	Under £25	No reporting required
Gifts	Over £25, under £100	Prior approval not required, but a GHER form must be completed
Gifts	Over £100, under £500	Prior approval must be obtained and a GHER is required, even if declined
Gifts	Over £500	Should not be offered or accepted in normal circumstances and a GHER is required, even if declined
Outings/Hospitality	Under £100	Prior approval not required, but a GHER must be completed
Outings/Hospitality	Over £100, under £500	Prior approval must be obtained and a GHER is required, even if declined
Outings/Hospitality	Over £500	Should not be accepted in normal circumstances and a GHER is required, even if declined

Lunches, Dinners, Receptions etc.

Lunches, dinners and receptions attended in the normal of course of business need not be declared unless they are in some way unusual (e.g. your host uses the occasion expressly to induce you to do, or not do, something that you believe is inappropriate).

Corporate Hospitality or Gifts provided to Third Parties by Law Debenture

Law Debenture does not routinely offer corporate hospitality or gifts. Any such offers must be pre-approved by the CEO.

Routine business meals (e.g. lunches or dinners) do not require formal recording but should be cleared with your Business Head for appropriateness and budget oversight.

Other Occupations

Employees must not engage in other business activities or hold external directorships without prior CEO approval.

How to Raise a Concern

You are encouraged to report any suspicions of fraud, bribery, tax evasion, or corruption as early as possible.

- Report to your line manager.
- Log incidents via the Incident Management Policy on Bamboo HR portal.
- For further concerns, refer to the Whistleblowing Policy.

Protection

Law Debenture supports individuals who raise concerns in good faith.

No one will suffer detrimental treatment (e.g. dismissal or disciplinary action) for refusing to participate in bribery or for reporting concerns.

If you believe you've been treated unfairly, raise it with your manager or formally via Bamboo HR portal.

Training and Communication

Training on this policy is part of induction and annual mandatory training.

Our zero-tolerance approach must be communicated to all suppliers, contractors, and partners.

Appendix 1 – Gifts, Hospitality and Entertaining – Template wording

Instructions on using the template:

1. Copy and paste the below template wording into an email, and complete the details, copying in gifts&hospitality@lawdeb.com
2. Your Business Head should approve via email keeping gifts&hospitality@lawdeb.com in cc.

Template wording: Copy and paste the following into a new email:

- Name of employee receiving gift:
- Date of event/receipt of gift:
- Donor:
- Description of gift/hospitality:
- Approximate value e.g. Under £100 / £100 – £500 / Over £500 (*delete as appropriate*)
- Purpose, if known (e.g. speaking at conference, business relationship etc.)
- Accepted/Declined (*delete as appropriate*)

If you have any questions, please contact Vicky Skaife