

ANTI-BRIBERY AND CORRUPTION POLICY

1. Policy Statement

- 1.1. It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships anywhere we operate and to implementing and enforcing effective systems to counter bribery and corruption.
- 1.2. We will uphold all laws relevant to countering bribery and corruption in Nigeria. Also, for avoidance of doubt, we shall uphold the United Kingdom Bribery Act 2010 and the United States Foreign Corrupt Practices Act, both of which have extra-territorial application and therefore can apply to activities all over the world, including Nigeria.
- 1.3. The purpose of this policy is to:
 - (a) Set out our responsibilities, and the responsibilities of those working for us (see Section 2 below), in observing and upholding our position on bribery and corruption; and
 - (b) Provide information and guidance to those working for us on how to recognize and deal with bribery and corruption issues.
- 1.4. It is a criminal offence to offer, promise, give, request, or accept a bribe. Individuals found guilty can be punished by imprisonment and/or a fine. As an employer if we fail to prevent bribery we can face an unlimited fine, damage to our reputation and exclusion from tendering for public contracts. We therefore take our legal responsibilities very seriously.
- 1.5. We have identified the following risk areas in our business:
 - a) Obtaining approvals, licenses or consents for project execution;
 - b) Day to day interaction with regulators and government representatives, related and unrelated to any specific project; and
 - c) Sales and marketing activities.

To address those risks, we:

- a) Have published a public statement of the Company's zero tolerance to corruption and bribery both internally and externally via the website and by internal dissemination;
- b) Shall maintain a Compliance Officer to monitor anti-corruption and bribery matters and policies—the Compliance Officer/Committee shall report directly to the Company's Board; and
- c) Shall provide a reasonable budget to implement the above and this entire policy (for example, sufficient to provide for extensive training and monitoring of staff in key risk areas and establishing disciplinary mechanisms).
- d) Adopt a zero-tolerance policy with respect to corruption and bribery, which is enshrined in this policy document and shall be enshrined in relevant project and project company documentation;
- e) Shall conduct interactive annual anti-corruption and bribery training sessions for all employees;
- f) Shall conduct an annual comprehensive Company-wide risk assessment; and
- g) Shall review anti-corruption and bribery policies and procedures, especially taking into consideration corporate hospitality and donations.

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

2. Who must comply with the Policy?

This policy applies to all persons working (a) for the Company and (b) on the Company's 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 (collectively referred to as workers in this policy).

3. What are Bribery and Corruption?

- 3.1 Bribery is offering, promising, giving or accepting any financial or other advantage, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage.
- 3.2 An advantage includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.
- 3.3 A person acts improperly where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust. The improper acts may be in relation to any business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organization of any kind.

3.4 Corruption is the abuse of entrusted power or position for private gain.

Examples:

Offering a bribe

You offer a potential client tickets to a major sporting event, but only if they agree to do business with us.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. We may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept your offer.

Receiving a bribe

A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organization to ensure we continue to do business with them.

It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain an advantage.

Bribing an official

You arrange for the business to pay a "facilitation" payment to an official to speed up an administrative process, such as clearing our goods through customs.

The offence of bribing a public official is committed as soon as the offer is made. This is because it is made to gain a business advantage for us. We may also be found to have committed an offence.

4. What our workers must not do?

It is not acceptable for our staff or agents (or someone on their behalf) to:

- (a) 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;
- (b) Give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
- (c) Accept a payment, gift or hospitality from a third party that the worker knows or suspects is offered with the expectation that it we will provide a business advantage for them or anyone else in return;
- (d) Accept hospitality from a third party that is unduly lavish or extravagant under the circumstances;
- (e) Offer or accept a gift to or from government officials or representatives, or politicians or political parties, without the prior approval of the Compliance Officer;
- (f) Threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- (g) Engage in any other activity that might lead to a breach of this policy.

5. Facilitation payments and kickbacks

- (a) We do not make, and will not accept, facilitation payments or "kickbacks" of any kind;
- (b) Facilitation payments, also known as "back-handers" or "grease payments", are typically small, unofficial payments made to secure or expedite a routine or necessary action (for example by a government official);
- (c) Kickbacks are typically payments made in return for a business favour or advantage.
- (d) All our workers must avoid any activity that might lead to a facilitation payment or kickback being made or accepted by us or on our behalf, or that might suggest that such a payment will be made or accepted. If anyone is asked to make a payment on our behalf, they should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. Our workers should always ask for a receipt which details the reason for the payment. If any of our workers have any suspicions, concerns or queries regarding a payment, they should raise these with the Compliance Officer.

6. Gifts, hospitality and expenses

6.1 This policy allows reasonable and appropriate hospitality or entertainment given to or received from third parties, for the purposes of:

- (a) Establishing or maintaining good business relationships;
- (b) Improving or maintaining our image or reputation; or
- (c) Marketing or presenting our products and/or services effectively.

6.2 The giving and accepting of gifts is allowed if the following requirements are met:

- (a) It is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favors or benefits;
- (b) It is given in our name after receiving all required internal approvals, not in any of our worker's names;
- (c) It is appropriate in the circumstances, taking account of the reason for the gift, its timing and value. For example, in the a number of countries, it is customary for small gifts to be given at Christmas;
- (d) It is given openly, not secretly; and
- (e) It complies with any applicable local law.

6.3 Promotional gifts of low value such as branded desk items to or from existing customers, suppliers and business partners will usually be acceptable.

6.4 Reimbursing a third party's expenses or accepting an offer to reimburse our expenses (for example, the costs of attending a business meeting) would not usually amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as the cost of an extended hotel stay) is not acceptable.

6.5 We acknowledge that practice varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in ALL the circumstances the gift, hospitality or payment is reasonable and justifiable (i.e., would it be an

offence in the U.K.—if so, it is not acceptable under this policy). The intention behind the activity should always be carefully considered.

7. Donations

- 7.1. We do not make contributions to political parties.
- 7.2. We only make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of the Compliance Officer.

8. Our workers' responsibilities

- 8.1. Our workers must ensure that they read, understand and comply with this policy, and undertake to so comply by signing a copy of this document and returning it to the Company.
- 8.2. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 8.3. Our workers must notify the Compliance Officer or any member of the Board, as soon as possible if they believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a client or potential client offers a worker something to gain a business advantage with us, or indicates to the worker that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in Schedule 1 on page 58.
- 8.4. Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We reserve our right to terminate our contractual relationship with our workers if they breach this policy.

9. Record-keeping

- 9.1. We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 9.2. Our workers must declare and keep a written record of all hospitality or gifts given or received, which will be subject to managerial review.
- 9.3. Our workers must submit all expenses claims relating to hospitality, gifts or payments to third parties in accordance with our expenses policy and record the reason for expenditure.
- 9.4. All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

10. How to raise a concern

- 10.1. Our workers are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.
- 10.2. If any worker is offered a bribe, or are asked to make one, or if a worker believes or suspects that any bribery, corruption or other breach of this policy has occurred or may occur, the worker must notify their manager, a member of the Board or the Compliance Officer/Committee as soon as possible.
- 10.3. If workers are unsure about whether a particular act constitutes bribery or corruption, raise it with their manager, the CEO or the Compliance Officer.

11. Protection

- 11.1. Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.
- 11.2. We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavorable treatment connected with raising a concern. If a worker believes that they have suffered any such treatment, they should inform the Compliance Officer/Committee immediately.

12. Training and communication

- 12.1. Training on this policy forms part of the induction process for all new workers. All existing workers will receive regular, relevant training on how to implement and adhere to this policy.
- 12.2. Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

13. Who is responsible for the policy?

- 13.1. The board of directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.
- 13.2. The Compliance Officer has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

14. Monitoring and review

- 14.1. The Compliance Officer will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and

procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

- 14.2. All workers are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.
- 14.3. Workers 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 Compliance Officer.

Schedule 1: Potential risk scenarios or "red flags"

The following is a list of possible red flags that may arise during the course of working for us and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If a worker encounters any of these red flags while working for us, the worker must report them promptly Compliance Officer/Committee:

- a) A worker becomes aware that a third party engages in, or has been accused of engaging in, improper business practices;
- b) A worker learns that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- c) A third party insists on receiving a commission or fee payment before carrying out a government function or process for us;
- d) A third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- e) A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- f) A third party requests an unexpected additional fee or commission to "facilitate" a service;
- g) A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- h) A third party requests that a payment is made to "overlook" potential legal violations;
- i) A third party requests that a worker provide employment or some other advantage to a friend or relative;
- j) A worker receives an invoice from a third party that appears to be non-standard or customized;
- k) A third party insists on the use of side letters or refuses to put terms agreed in writing;
- l) A worker notices that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- m) A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us; or
- n) A worker is offered an unusually generous gift or offered lavish hospitality by a third party.

Confirmation

I hereby confirm that I have read in detail, and understand, the ALARO CITY DEVELOPMENT FZC Anti-Corruption and Bribery Policy dated day of , and hereby undertake to comply with its terms.

Signature: _____

Name:

Position:

Date: