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ANTI-CORRUPTION AND BRIBERY POLICY

Harrow Investments Limited ("**Harrow**")

CONTENTS

1.	POLICY STATEMENT	3
2.	ABOUT THIS POLICY	3
3.	WHO DOES THIS POLICY APPLY TO?.....	3
4.	WHO IS RESPONSIBLE FOR THE POLICY?	3
5.	DEFINITIONS.....	3
6.	WHAT YOU MUST NOT DO.....	5
7.	FACILITATION PAYMENTS AND KICKBACKS.....	5
8.	GIFTS, HOSPITALITY AND EXPENSES.....	5
9.	DONATIONS	6
10.	RECORD-KEEPING.....	6
11.	YOUR RESPONSIBILITIES.....	6
12.	HOW TO RAISE A CONCERN.....	7
13.	INVESTIGATION.....	7
14.	PROTECTION	7
15.	TRAINING AND COMMUNICATION.....	8
16.	BREACHES OF THIS POLICY.....	8
17.	POTENTIAL RISK SCENARIOS: "RED FLAGS"	8

1. **POLICY STATEMENT**

- 1.1 We conduct all 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 wherever we operate and implementing and enforcing effective systems to counter bribery and corruption.
- 1.2 We take our legal responsibilities very seriously. We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by the laws of Kenya, including the Bribery Act, 2016 and the regulations thereto, including the Bribery Regulations, 2022, in respect of our conduct both in Kenya and abroad.
- 1.3 If you breach this policy, you may also be breaking the law and will face disciplinary action that could lead to you losing your job, significant fines and/or imprisonment.

2. **ABOUT THIS POLICY**

- 2.1 The purpose of this policy is to:
 - 2.1.1 set out our responsibilities, and of those working for and on our behalf, in observing and upholding our position on bribery and corruption; and
 - 2.1.2 provide information and guidance to those working for and on our behalf on how to recognise and deal with bribery and corruption issues.
- 2.2 This policy does not form part of any contract of employment or other contract to provide services, and we may amend it at any time

3. **WHO DOES THIS POLICY APPLY TO?**

- 3.1 This policy applies to:
 - 3.1.1 all persons working for us or for any group company, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners or sponsors;
 - 3.1.2 any group company;
 - 3.1.3 any joint venture in which Harrow has a controlling interest;
 - 3.1.4 any other person associated with Harrow, wherever located.

4. **WHO IS RESPONSIBLE FOR THE POLICY?**

- 4.1 The board of directors (the Board) has overall responsibility for the effective operation of this policy but has delegated responsibility for overseeing its implementation to the Managing Director. Suggestions for change should be reported to this individual.
- 4.2 Line managers have day-to-day responsibility for this policy and you should refer any questions about this policy to them in the first instance. They will involve Managing Director where appropriate.
- 4.3 This policy is reviewed continually by the Managing Director in consultation with the Board and.

5. **DEFINITIONS**

- 5.1 **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.

- 5.2 An **advantage** includes:
- 5.2.1 money or any gift, loan, fee, hospitality, service, discount, reward, commission, valuable security or other property or interest in property of any description, whether movable or immovable;
 - 5.2.2 any office, employment or contract;
 - 5.2.3 any payment, release, discharge or liquidation of any loan, obligation or other liability whatsoever, whether in whole or in part;
 - 5.2.4 any other service, favour or advantage of any description whatsoever, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary or penal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty;
 - 5.2.5 any offer, undertaking or promise of any gratification within the meaning of paragraphs 5.2.1, 5.2.2, 5.2.3 and 5.2.4 above; and
 - 5.2.6 any facilitation payment made to expedite or secure performance by another person.
- 5.3 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 organisation of any kind.
- 5.4 It is a criminal offence to offer, promise, give, request, or accept a bribe. Individuals found guilty can be punished by up to ten (10) years' imprisonment and/or a fine and employers that fail to prevent bribery can face exclusion from tendering for public contracts and damage to reputation.
- 5.5 **Corruption** is the abuse of entrusted power or position for private gain.
- 5.6 **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).
- 5.7 **Government official** includes:
- 5.7.1 any officer or employee of a government or any department, agency or instrument of a government;
 - 5.7.2 any person acting in an official capacity on behalf of a government or any department, agency, or instrumentality of a government;
 - 5.7.3 any officer or employee of a company or business owned in whole or part by a government;
 - 5.7.4 any officer or employee of a public international organisation such as the World Bank or United Nations etc.;
 - 5.7.5 any officer or employee of a political party or any person acting in an official capacity on behalf of a political party;
 - 5.7.6 any candidate for political office;
 - 5.7.7 members of a royal family;
 - 5.7.8 'Politically Exposed Persons' (PEPs) i.e., current and former senior government officials, their relatives and known close associates, either socially or professionally, including the close associates and relatives of the persons listed in 5.7.1 to 5.7.7 above.
- 5.8 **Kickbacks** are typically payments made in return for a business favour or advantage.

- 5.9 **Third party** means any individual or organisation you come into contact with during the course of your work for us or engagement with 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.

6. **WHAT YOU MUST NOT DO**

- 6.1 It is not acceptable for you (or someone on your behalf) to:
- 6.1.1 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;
 - 6.1.2 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;
 - 6.1.3 accept a payment, gift or hospitality from a third party that you know or suspect is offered with the expectation that it will provide a business advantage for them or anyone else in return;
 - 6.1.4 offer or accept a gift to or from government officials or representatives, or politicians or political parties, without the prior approval of your line manager AND the Managing Director.
 - 6.1.5 threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this policy; or
 - 6.1.6 engage in any other activity that might lead to a breach of this policy.

7. **FACILITATION PAYMENTS AND KICKBACKS**

- 7.1 We do not make, and will not accept, facilitation payments or "kickbacks" of any kind. See clause 5 for definitions of these terms.
- 7.2 You 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 you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the Managing Director.

8. **GIFTS, HOSPITALITY AND EXPENSES**

- 8.1 This policy allows reasonable and appropriate hospitality or entertainment given to or received from third parties, for the purposes of:
- 8.1.1 establishing or maintaining good business relationships;
 - 8.1.2 improving or maintaining our image or reputation; or
 - 8.1.3 marketing or presenting our products and/or services effectively.
- 8.2 The giving and accepting of gifts is allowed if the following requirements are met:
- 8.2.1 always obtain approval from the Managing Director before you offer, give or pay for any gifts or entertainment to a government official;
 - 8.2.2 always obtain the Managing Director's approval before giving to or accepting from an external party:
 - 8.2.2.1 gifts to or from any one entity where the value in a financial year exceeds KES 25,000/- in total; and

- 8.2.2.2 entertainment that is more than occasional, may not be business-related, or could be regarded as excessive or unreasonable;
- 8.2.3 keep an accurate and complete record of all gifts and entertainment that you offer to, or accept from, external parties [in your gifts and entertainment register];¹
- 8.2.4 never offer or accept gifts, entertainment or hospitality benefits to/from our third-party external auditors unless considered acceptable hospitality;
- 8.2.5 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 favours or benefits;
- 8.2.6 it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- 8.2.7 it is appropriate in the circumstances, taking account of the reason for the gift, its timing and value. For example, it is customary for small gifts to be given at Christmas in some countries;
- 8.2.8 it is given openly, not secretly; and
- 8.2.9 it complies with any applicable local law.
- 8.3 Promotional gifts of low value such as branded stationery to or from existing customers, suppliers and business partners will usually be acceptable.
- 8.4 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.
- 8.5 We appreciate 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. The intention behind it should always be considered.

9. **DONATIONS**

- 9.1 We do not make contributions to political parties
- 9.2 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 Managing Director.

10. **RECORD-KEEPING**

- 10.1 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 10.2 You must declare and keep a written record of all hospitality or gifts given or received [in your gifts and entertainment register], which will be subject to managerial review.
- 10.3 You must submit all expenses claims relating to hospitality, gifts or payments to third parties in accordance with the relevant company policy] and record the reason for expenditure.
- 10.4 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.

11. **YOUR RESPONSIBILITIES**

- 11.1 You must ensure that you read, understand, and comply with this policy.

¹ To be confirmed if the company will have a gifts and entertainment register to be maintained by the relevant persons to whom the policy relates to.

- 11.2 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. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 11.3 You must notify the Managing Director or communicate via the confidential helpline as soon as possible if you 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 you something to gain a business advantage with us or indicates to you that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in clause 17.

12. HOW TO RAISE A CONCERN

- 12.1 You are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.
- 12.2 If you are offered a bribe, or are asked to make one, or if you believe or suspect that any bribery, corruption or other breach of this policy has occurred or may occur, you must notify the Managing Director as soon as possible. You should not attempt to personally conduct investigations or interviews/ interrogation in relation to any suspected fraudulent act.
- 12.3 If you are unsure about whether a particular act constitutes bribery or corruption, raise it with the Managing Director or through the confidential helpline which is captured below.

13. INVESTIGATION

- 13.1 While everyone within the organization has the duty to help fight bribery and corruption, the Managing Director is explicitly responsible for executing, monitoring and ensuring the success of this policy.
- 13.2 The Managing Director will take charge of all investigations and in the event where an investigation substantiates that a breach of this policy has occurred the Managing Director will issue a report to the Board.
- 13.3 During course of investigation the Managing Director may at any given time require any member of staff to appear before them for an interview/interrogation and/or record a statement regarding some facts in issue.
- 13.4 The Managing Director will have authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation.
- 13.5 All information received in relation to an investigation shall be treated as confidential. Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the company from potential civil liability.
- 13.6 Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in consultation with the firm's legal counsel, as will final decisions on disposition of the cases.

14. PROTECTION

- 14.1 Individuals who refuse to accept or offer a bribe, or 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.
- 14.2 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 unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Managing Director immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure, which is available from the Head of HR.

- 14.3 Allegations made maliciously or with knowledge of their falsity will not be tolerated. Any person making such allegations may be subject to disciplinary action and/or legal actions by the persons accused of any breach of this policy.

15. **TRAINING AND COMMUNICATION**

- 15.1 Training on this policy forms part of the induction process for all individuals who work for us, and regular training will be provided as necessary.
- 15.2 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.

16. **BREACHES OF THIS POLICY**

- 16.1 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.
- 16.2 We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

17. **POTENTIAL RISK SCENARIOS: "RED FLAGS"**

- 17.1 The following is a list of possible red flags that may arise during the course of you 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.
- 17.2 If you encounter any of these red flags while working for us, you must report them promptly to the Managing Director.
- 17.2.1 you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- 17.2.2 you learn 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;
- 17.2.3 a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;
- 17.2.4 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;
- 17.2.5 a third-party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- 17.2.6 a third party requests an unexpected additional fee or commission to "facilitate" a service;
- 17.2.7 a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- 17.2.8 a third-party requests that a payment is made to "overlook" potential legal violations;
- 17.2.9 a third-party requests that you provide employment or some other advantage to a friend or relative;
- 17.2.10 you receive an invoice from a third party that appears to be non-standard or customised;
- 17.2.11 a third party insists on the use of side letters or refuses to put terms agreed in writing;

- 17.2.12 you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- 17.2.13 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;
- 17.2.14 you are offered an unusually generous gift or offered lavish hospitality by a third party.

Confidential Helpline: info@dmf.work