



CENTUM INVESTMENT COMPANY PLC

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

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1. PURPOSE AND GUIDING PRINCIPLES

This policy sets out the general principles which employees of Centum Investment Company PLC ('Centum') and its subsidiaries shall adhere to maintain high ethical standards to protect the company's reputation against any allegations of bribery, corruption and fraud. It further complements Centum's code of ethics and business standards.

Centum's position is that any form of bribery or corruption is prohibited and is a criminal offence punishable by law. This applies to accepting, offering, paying, giving, soliciting or authorizing of bribes. It is Centum's policy that all business operations including investing, procurement of services and staff engagement with stakeholders be conducted with utmost honesty, integrity and without the use of corrupt practices or acts of bribery to obtain an unfair advantage or for any process or operation to run smoothly. Through this policy Centum and its subsidiaries acknowledge fully that bribery and corruption practices hinder business operations, are unethical and are criminal. This policy sets Centum's minimum standards.

The Board of directors and management of Centum shall retain overall responsibility for ensuring that appropriate steps are taken to communicate the company's values, professional standards or codes of conduct it sets, together with supporting policies and procedures, in order to eliminate cases of bribery and corruption.

Bribery and corruption are criminal offences under the laws of Kenya that expose the company and its employees to the risk of prosecution, fines and imprisonment, as well as endangering the company's reputation. As a matter of policy, the Company will under no circumstances, tolerate any employee engaging in any act of corruption, bribery or facilitation as defined under this policy. Any breach of this policy will be regarded as a serious matter by the company and will be subject to appropriate disciplinary action upto and including summary dismissal and institution of criminal proceedings.

2. LEGAL FRAMEWORK AND CONSIDERATIONS

The policy shall be read and applied in conjunction with the related laws, company policies and operational guidelines issued from time to time such as:

- a. The Bribery Act,
- b. Penal Code,
- c. Criminal Procedure Code,
- d. Anti-corruption and economic crimes Act,
- e. Whistleblowing policy,
- f. Conflict of interest policy,
- g. Code of Ethics and Business standards, and
- h. Conflict of Interest Policy.

3. SCOPE

3.1. Persons covered

This policy shall apply to all activities and operations of Centum, irrespective of their jurisdiction, country or business unit. This policy applies to:

- a. Directors (executive and non-executive)
- b. Management
- c. Employees (temporary or permanent)
- d. Suppliers
- e. Customers of various investment products
- f. Agents

3.2. Dealing with public officials

Centum is fully committed to maintaining ethical behavior in its relationship with public officials. The use of corrupt practices or acts of bribery to obtain an unfair advantage from any public official or for any process or operation to run smoothly is expressly prohibited.

3.3. Dealing with non-public officials

Centum recognizes that bribery and corruption have an adverse effect on communities wherever they occur and is committed to enforcing its ethical standards in all its business activities with non-public officials.

3.4. Engaging of Third parties

Centum has a zero-tolerance attitude towards actual or attempted and bribery. The following anti-bribery and corruption principles apply to all dealings with third parties, staff shall:

- Carry out business fairly, honestly and openly,
- Not makes bribes, nor will the company condone the offering of bribes on its behalf,
- Not accept bribes, nor will the company agree to them being accepted on its behalf to influence business,
- Avoid doing business with other who do not accept Centum values and who may harm the company's reputation
- Set out processes for avoiding direct or indirect bribery, and keeping to and supporting its values
- Keep clear and updated records reported cases on bribery and corruption
- Make sure that everyone in the business know these principles,
- Regular review and update the program and processes as needed,
- Keep this principle even when it is difficult.

4. DEFINITION

The following are definitions of terms applied in the policy:

4.1. Bribe

This is an offer, promise, giving, demanding or acceptance of an advantage as an incumbent for an action which is illegal, unethical, a breach of trust or the improper performance of a contract.

4.2. Fraud

Wrongful or criminal deceptive actions intended to result in financial or personal gain.

4.3. Facilitation

A financial payment made with the intention of expediting an administrative or operational process.

4.4. Corruption

The misuse or abuse of entrusted power for personal gain.

5. CUSTODIAN OF THE POLICY

5.1. The Board of Directors

The Board is responsible for reviewing and approving this policy. The Board shall in general provide oversight on the company's legal and ethical obligations.

5.2. Company Secretary

The Company secretary shall have the collective responsibility of implementing this policy and developing supporting procedures and programs to ensure this policy is complied with.

The zero-tolerance approach to bribery and corruption must be communicated to all staff (temporary and permanent) and stakeholders i.e. suppliers, agents, contractors and business partners at the onset of the business relationship with them and as appropriate thereafter.

6. PRACTICES CONSTITUTING BRIBERY, FRAUD, FACILITATION AND CORRUPTION

Practices the company may investigate that constitute bribery, fraud, facilitation and corruption include but are not limited to:

- a. Payment to government/county officials to issue permits or approvals or consents,
- b. Payment to government/county officials to fast track the issuance of permits or approvals or consents,
- c. False financial reporting,
- d. Receiving financial/non-financial favors for awarding works or procuring services from a service provider/supplier,
- e. Lying about the valuation methods used to tell investors about the returns the company makes,
- f. Deliberately concealing crucial investment information to persuade investors
- g. Awarding contracts to unqualified suppliers/service providers based on insider information that have been obtained by bribes or based on relationships and personal favors served by connections and conflict of interests,
- h. Allocating money for redundant services to pay someone who perform these services,
- i. Splitting of profits with the company's service providers,

7. REPORTING AND ESCALATION PROCEDURE FOR BRIBERY, FRAUD AND CORRUPTION

Pursuant to the whistleblowing policy, all complaints/red flags/alerts raised shall be fully investigated jointly by the Legal department, Internal Audit and any other function as otherwise directed by the Board. The company shall put in place various channels of communication to comply with the whistleblowing policy to ensure anonymity and guarantee non-victimization of the whistle blower. The functions in charge of investigations shall accept all complaints irrespective of their source, including from anonymous or confidential sources.

7.1. Investigations

When a complaint is raised regarding corruption, fraud or bribery, an investigation by the functions in charge of investigations shall be commenced to determine whether fraud, corruption, or abuse under this policy has occurred. The functions in charge of investigations shall gather sufficient evidence, design

investigation procedures, determine if controls need to be implemented or strengthened to reduce vulnerability and design mechanisms to help disclose the existence of similar fraud, corruption or abuse.

The parties conducting investigations shall maintain objectivity, impartiality and fairness throughout the investigative process. It shall conduct its activities competently and with the highest levels of integrity. The investigative office shall perform its duties independently from those responsible for or involved in operational activities and from staff members liable to be subject of investigations and shall also be free from improper influence and fear of retaliation.

Each investigation initiated by the Company shall have terms of reference of its investigative work and shall prepare and submit a report to the Managing Director, Head of Legal and Head of Internal Audit summarizing its activities. In carrying out activities, the functions in charge of investigations and the authorized staff members in internal audit shall have full and unrestricted access to (and may have temporary possession or control of) information and records relating to all company's activities, company personnel and the company's physical property.

Subject to the company's rules, policies, and procedures, if, at any time during the Investigation, the functions in charge of investigations consider that it would be prudent, as a precautionary measure or to safeguard information, to temporarily exclude a staff member that is the subject of an investigation from access to his or her files or office or to recommend that he or she be suspended from duty, with or without pay and benefits, or to recommend placement of such other limits on his or her official activities, the functions in charge of investigations shall refer the matter to the Managing Director and Director of Human Resources within the company for appropriate action.

7.2. Confidentiality

The functions in charge of investigations shall take reasonable measures to protect as confidential any non-public information associated with an investigation, including the identity of parties that are the subject of the investigation and of parties providing testimony or evidence.

The functions in charge of investigations shall make recommendations in line with this policy as derived from their investigative findings.

7.3. Protection of Whistleblowers

A staff member who qualifies as a "whistleblower" under the whistleblowing policy of the company shall not be subjected to retaliation by the company.

The company shall require staff to cooperate with the Investigative Office. All investigations should be conducted expeditiously within the constraints of available resources. The Internal audit may consult and collaborate with external auditors or other investigators and/or engage their services or exchange ideas, practical experience and insight on how best to address issues of mutual concern. The Internal audit may provide assistance to and share information with other Investigative offices.

The function in charge of investigation shall document its investigative findings and conclusions.

8. CONSEQUENCES OF VIOLATION OF THE POLICY

Appropriate disciplinary/remedial measures including summary dismissal shall be effected in relation to the violation of this Policy. This shall be in addition to institution of criminal proceedings.

The company reserves the right to reject a proposal for award if it determines that the bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the contracts in question.

9. MISCELLANEOUS

This policy does not prohibit giving and receiving promotional gifts of low value and normal and appropriate hospitality. However, in certain circumstances, gifts and hospitality may amount to bribery and all employees must consult with the Company Secretary, if in doubt.

9.1. Staff training and compliance training

The Legal department shall conduct annual trainings on the Bribery Act to ensure all staff are familiar with the obligations contained therein and the provisions of this policy.

9.2. Review

This policy shall be reviewed every (2) unless a recommendation to update it by the Company Secretary is received.