



CHARTERED
PROFESSIONAL
ACCOUNTANTS
& BUSINESS
ADVISORS

ANTI-BRIBERY AND CORRUPTION POLICY

1. Background and Purpose

PAUL DE MONTGOLFIER ET ASSOCIES LIMITED, its sister companies and subsidiaries (collectively, AJC) is committed to maintaining high ethical standards and full compliance with the law in all aspects of its business. AJC has zero tolerance for bribery or corruption in connection with its operations and activities. AJC has adopted this Anti-Bribery and Corruption Policy (the Policy) to promote full compliance with the anti-bribery and anti-corruption laws that apply to its business in or outside of Vanuatu.

2. Scope

The Policy applies to all directors, officers, employees, contractors and representatives of AJC and any ventures or entities effectively controlled by AJC (AJC people). It applies to all AJC operations and activities globally.

3. Responsibilities

It is the responsibility of all AJC people to ensure that they understand and comply with the Policy and are vigilant to “red flag” issues or significant bribery risks. A non-exhaustive list of significant bribery risks or “red flags” are set out in Appendix 1 of this Policy. If you are uncertain about any aspect of the Policy, or the appropriate course of action to take in a certain situation relevant to the Policy, you should contact your manager, AJC Legal manager and the managing director.

4. Consequences of Breaching the Policy

Bribery and the other corrupt conduct addressed by the Policy are very serious breaches of this policy and potentially are criminal offences. All reported incidents will be taken seriously, reviewed and thoroughly investigated. Depending on the circumstances, the incident may be referred to regulatory and/or law enforcement agencies. A breach of the Policy may be regarded as serious misconduct, leading to disciplinary action that may result in termination of employment.

A breach of the Policy may also expose AJC people and AJC to criminal and/or civil penalties, substantial fines, exclusion from tendering for contracts, loss of business and reputational damage.

5. Prohibitions against Bribery and Corruption

AJC has zero tolerance for bribery or corrupt conduct in connection with its business.

AJC people **must not**:

- Engage in bribery: The act of offering, promising, authorising, providing, soliciting or receiving a benefit (including a non-monetary benefit) with the intention of influencing a public official or person in the private sector in the performance of their duties, to obtain business or a business advantage that is not legitimately due.
- Engage in corruption: The misuse of entrusted power or office, whether in the public or private sector, for private gain.

- Make facilitation payments: The payment of a nominal amount or other inducement to a public official, either directly or indirectly, to secure or expedite the performance of a routine action or function that the public official is already obliged to perform.
- Offer, pay, solicit or receive secret commissions: Where a person or entity offers or gives a commission to an agent or representative of another person (the “principal”) that is not disclosed by that agent or representative to the principal.
- Engage in money laundering: The process by which a person or entity conceals the existence of an illegal source of income and then disguises that income to make it appear legitimate.
- Offer or accept gifts, entertainment or hospitality otherwise than in accordance with the requirements set out in the Policy.
- Engage with third parties without following the due diligence and contractual controls requirements set out in the Policy.

6. Gifts, Entertainment and Hospitality

AJC people must not offer or accept gifts, entertainment and hospitality unless the following conditions are all met:

- given for the purpose of general relationship building only;
- not intended, and cannot reasonably be construed, as an attempt to improperly influence the recipient's performance of a role or function;
- complies with the local laws and regulations of the jurisdiction in which it is made;
- given in an open and transparent manner; and
- does not include cash, loans or cash equivalents (such as gift certificates or vouchers).
- does not exceed a value of 15,000 vatu

7. Political Donations

AJC recognises the importance of engagement in policy debate on subjects of legitimate concern that relate either to its business operations, employees, clients or the communities in which AJC operate. However, AJC people are prohibited from making donations to political parties, organisations, incumbents, candidates or any public official on behalf of AJC.

8. Third parties

AJC strictly prohibits Bribery and Corruption by or through Third Parties. When entering into or managing relationships with Third Parties, appropriate procedures must be undertaken to identify and manage the Bribery and Corruption risk, including:

- risk assessments as required by AJC's policies and procedures;
- risk-based due diligence and periodic monitoring as required by AJC's policies and procedures; and
- use of anti-bribery and corruption clauses in contracts and agreements when appropriate.

9. Documentation and Record-keeping

AJC people must record all financial transactions accurately, completely and fairly in accordance with AJC' internal accounting controls. Books and records must record, in reasonable detail, the parties, payment arrangements and purpose of all transactions and disposition of assets. No accounts are to be kept "off the books" for any reason.

10. Reporting

AJC people must immediately report any actual or suspected breaches of the Policy to their manager, AJC Legal manager or the managing director. AJC Legal manager must investigate all reported actual or suspected breaches of the Policy. AJC Legal manager must also report all material breaches of the Policy to the directors.

Appendix 1: Potential Bribery/Corruption risk scenarios: "red flags"

There are a number of issues i.e. "red flags" that may raise concerns and require further investigation/due diligence into whether a particular transaction presents a potential bribery issue. Potential issues that may call for further investigation include (this list is not intended to be exhaustive):

- A third party engages in, or has been accused of engaging in, improper business practices;
- 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 government officials;
- A third party insists on receiving a commission or fee payment before committing to sign up to a contract with AJC, or carrying out a government function or process for AJC;
- 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;
- A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- A third party requests an unexpected additional fee or commission to "facilitate" a service, or a fee that is not published;
- A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- A third party requests that a payment is made to "overlook" potential legal violations;
- A third party insists on the use of side letters or refuses to put terms agreed in writing;
- 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 AJC;
- An individual is offered an unusually generous gift;
- We receive an invoice from a third party that appears to be non-standard or customised;

- We have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- Payments of unusually high fees or commissions;
- Requests for cash payments;
- Request for payments to different companies or to different countries;
- Absence of written agreements;
- Unusually close relationships with government officials;
- A refusal to certify compliance with this Policy.

AJC people who encounter any of these red flags must report them promptly to their manager, AJC Legal manager or the managing director.