



Anti-Bribery & Anti-Corruption Policy

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BRITAM GROUP AND SUBSIDIARIES

Policy Owner: Group Chief Risk & Compliance Officer
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1. Document Change History

Policy version control			
Amendment Number	Date	Approved by	Description of change
1.0	January 1, 2017	Britam Board	New Policy Developed
1.1			

2. Purpose

The purpose of this document is to provide guidance to all Directors, Officers and Employees of Britam concerning compliance with the Kenya Bribery Act 2016.

3. Scope of the Policy

This Anti-Bribery and Anti-Corruption Policy applies to Directors, Officers, Employees and Agents (collectively “representatives”) of the Britam Group. This policy should be read in conjunction with the Code of Conduct, which serves as a guide for how each of the above should conduct themselves as members of the Britam Group.

4. Policy Statements

4.1. ZERO TOLERANCE APPROACH TO BRIBERY AND CORRUPTION

Britam representatives shall not give or receive bribes, including “facilitation payments”

As Britam, we value our reputation for conducting business with honesty and integrity. It is vital for us to maintain this reputation as it generates confidence in our business by our customers, clients, investees and other persons – which ultimately means, it is good for business.

- **A bribe** is anything of value that is offered, promised, given or received to influence a decision or to gain an improper or unfair advantage.
- **Corruption or a corrupt practice** is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the action of another party.
- **Collusive practices** are arrangements between two or more parties designed to achieve an improper purpose. In the context of this policy, examples of collusive practices are bid rigging in connection with public procurement or government contracting, collusion between claim representatives and third parties like garage owners or medical providers.)
- Britam will not pay or receive bribes in furtherance of business and expect that all representatives will not do so on our behalf.
- We have a zero tolerance approach towards bribery. This commitment comes from the highest levels of management and all representatives must meet this standard.
- Bribery may not always be in the form of cash payments and may take many other forms, including:
 - Non-arm’s length loans or other transactions;
 - Phony jobs or “consulting” relationships;
 - Political contributions;
 - Charitable contributions; or
 - Gifts, travel, and hospitality.
- **Facilitation payments** are small payments made to secure or speed up routine actions or otherwise induce public officials or other third parties to perform routine functions they are otherwise obligated to perform, such as issuing permits, approving immigration documents or releasing goods held in customs.
- Facilitation payments are also a form of bribe and are therefore not permitted. This does not include legally required administrative fees for expedited services.

4.2. DEALING WITH PUBLIC OFFICIALS

Britam representatives shall ensure that their interactions with public officials are carried out with enhanced scrutiny and sensitivity.

There is increased sensitivity and scrutiny of dealings with public officials because this has traditionally been an area where bribery activity is more likely to occur.

A “public official” is any person who is employed by or is acting in an official capacity for a

government, a department, agency or instrumentality of a government, or a public international organization.

The term “Public Official” includes:

- Elected, nominated or appointed persons who hold legislative, administrative or judicial positions such as politicians, bureaucrats and judges.
- Persons who perform public functions such as professionals working for public health agencies, water authorities, planning officials and agents of public international organizations, such as the UN or World Bank.
- Employees of government-owned or controlled businesses, including sovereign wealth funds. For example, if a government has an interest in a bank and exercises control over the activities of that bank, then the banking officials are likely to be considered “public officials”.

All Britam representatives must be cognizant of these risks in their dealings and interactions with public officials and consider how their actions may be viewed.

4.3. DEALING WITH 3RD PARTIES

Britam shall ensure that all its joint venture partners, agents, contractors and suppliers are advised that they are not permitted to pay bribes on its behalf.

Britam may be prosecuted for failing to prevent bribery by a person associated with it. This includes any person or entity that performs services for or on behalf of the company.

- All representatives should avoid doing business with partners, agents and contractors who do not have a zero tolerance approach to bribery.
- This means due diligence should be undertaken on contractors, partners and agents to establish their anti-bribery credentials, where warranted by the assessed level of risk.
- This could include informing these persons (and associated companies) of the company’s anti-bribery policy, meeting with them to better assess their business practices, and making commercially reasonable inquiries into their reputation and past conduct.
- Anti-Bribery and Anti-Corruption compliance requirements shall be included in contractor, partner or agency agreements, where appropriate, in consultation with internal legal counsel.

4.4. GIFTS AND ENTERTAINMENT

Britam shall ensure that the giving and receiving of gifts and entertainment are proportionate and reasonable for the circumstances.

Gifts (e.g. merchandise) given to or received from persons who have a business relationship with the company are generally acceptable, if the gift is modest in value, appropriate to the business relationship, and does not create an appearance of impropriety.

- No cash payments or cash equivalents such as vouchers should be given or received.
- In addition, gifts should not be given to or received from public officials.
- Entertainment (e.g. meals, tickets to sporting events or theatre, rounds of golf) given to or received from persons who have a business relationship with the company are generally acceptable, if the entertainment is reasonable in value, appropriate to the business relationship, does not create an appearance of impropriety and if a representative from the sponsoring organization (the party paying for the entertainment) is present at the event.

Note that many jurisdictions have laws restricting entertainment given to public officials.

- Gifts and entertainment (including meals) that are repetitive, no matter how small, may be perceived to be an attempt to create an obligation to the giver and should be avoided.
- Employees should not pay for gifts and entertainment (including meals) personally to avoid having to report or seek approval for it.
- Employees should not give or receive “big-ticket” items, such as travel, conference fees, costs for road shows, or event sponsorships, without prior written authorization from internal legal counsel or person(s) designated to provide such authorization.

4.5. POLITICAL DONATIONS AND LOBBYING

Britam shall not offer contribution to political parties or candidate that might influence, or be perceived as influencing a business decision.

To ensure that Britam does not breach the law regarding political donations in any country, all political donations, no matter how small or insignificant, made on behalf of the company (directly or indirectly) must be approved in advance by the person(s) designated to approve such donations.

- Political donations should not be made on behalf of the company in countries in which we do not have a presence.
- Political donations made by individuals on their own behalf should comply with local laws and regulations.

Britam representatives shall not engage in any lobbying activities on behalf of the company without specific authorization.

The company encourages its employees, officers and directors to take an active role in public service. However, any participation in this regard is to be undertaken as an individual and not as a representative of the company.

- Lobbying activities generally include attempts to influence the passage or defeat of legislation and it may trigger registration and reporting requirements.
- In many jurisdictions, the definition of lobbying activity is extended to cover efforts to induce rule-making by executive branch agencies or other official actions of agencies, including the decision to enter into a contract or other arrangement.

4.6. CHARITABLE DONATIONS

Britam shall not solicit or offer donations to clients, suppliers, vendors, public officials or others in a manner which communicates that compliance is a pre-requisite for future business.

We encourage our directors, officers and employees to contribute personal time and resources to charities and not-for-profit organizations. However, unless the solicitation is supported by the company, all representatives are prohibited from using the company name or company stationery for solicitation of donations.

- All requests for corporate gifts to charities and other not-for-profit organizations should be approved in advance by the company's internal legal counsel or person(s) designated to approve such donations.
- Charitable donations made by individuals on their own behalf should comply with local laws and regulations.
- If any representatives member is requested by a public official to make a personal donation to a particular charity, please consult with internal legal counsel or person(s) designated to approve such donations before agreeing to or making the donation.

4.7. RECORD KEEPING

Britam shall record all our transactions in a complete, accurate and detailed manner so that the purpose and amount of the transaction is clear.

In addition to prohibiting bribery, some anti-bribery legislation, such as the Foreign Corrupt Practices Act, require proper record-keeping and the establishment and maintenance of internal controls. The purpose of these provisions is to prevent companies from concealing bribes and to discourage fraudulent accounting practices.

- All transactions must be recorded completely, accurately and with sufficient detail so that the purpose and amount of any such payment is clear.
- No undisclosed or unrecorded funds or assets of the company should be established for any purpose.
- False, misleading, or artificial entries should never be made in the books and records of the company for any reason.

4.8. REPORTS AND COMPLAINTS

Internal reporting is critical to the company's success, and it is both expected and valued. All representatives are required to be proactive and promptly report any suspected violations of the Policy, or any illegal or unethical behavior once they become aware of it.

- Complaints will be kept confidential and will be dealt with appropriately.
- No representatives will experience retribution or retaliation for a complaint made in "good faith".
- The Board approved Whistleblowing Policy provides further guidance on reporting complaints, including contact information for our reporting hotline, which is managed by

a third-party and allows for anonymous reporting of suspected violations.

4.9. DISCIPLINARY ACTION FOR POLICY VIOLATIONS

Britam reserves the right to take disciplinary action for Policy violations that fits the nature and particular facts of the violation. This could, in the most severe circumstances, include immediate termination for cause and, if warranted, legal proceedings may be brought against the concerned individual or group of individuals.

5. Governance

5.1. Stakeholders

The following list highlights the broad job classifications of the individuals who should comply with the policy requirements, individuals who must understand the policy in order to do their jobs, and individuals who are affected by the policy.

- Board of Directors
- All Britam Employees
- All Britam Financial Advisors, Suppliers and Contractors

5.2. Roles and Responsibilities

Provide a list of the key roles that this policy refers to and their responsibilities regarding the policy and its implementation

Board of Directors	<ul style="list-style-type: none">▪ The Board of Directors has the overall accountability for sound Risk management practices and governance, not limited to, the approval and ongoing governance of this Policy
Executive Council Members	<ul style="list-style-type: none">▪ All Executive Council members have management responsibility of ensuring their respective Business Units and Divisions are versed with and adhere to this policy.
Group Chief Risk & Compliance Officer (GRCO)	<ul style="list-style-type: none">▪ The GRCO shall have overall management responsibility for ensure proper operation and maintenance of the Anti-Bribery and Anti-Corruption Compliance (ABAC) Program.
Compliance Manager	<ul style="list-style-type: none">▪ The Compliance Manager shall have operational responsibility for the practical day to day implementation of the company's ABAC program.▪ The Compliance Manager will also have the responsibility for receiving reports from the various subsidiary making consolidated reports to relevant stakeholders.
All Representatives	<ul style="list-style-type: none">▪ All representatives have a duty and responsibility to adhere to the policy.▪ All representatives have duty to report any suspected violations to the code.

5.3. Review Cycle

The policy shall be reviewed every 2 years by the office of the Group Chief Risk & Compliance Officer.

5.4. Related Policies and Procedures

- Whistleblowing Policy
- Fraud Risk Management Policy
- Code of Conduct

6. Applicable Legislation & Regulations

6.1. Kenya Bribery Act 2016

7. Related Forms and Guidelines

N/A