



**ANTI-BRIBERY AND
ANTI-CORRUPTION POLICY**

Version 10

NORSAD CAPITAL ANTI- BRIBERY AND ANTI-CORRUPTION POLICY

1. Foreword and Scope

Norsad Capital Limited, Norsad Capital (Botswana) Ltd and Norsad Capital (South Africa) Ltd, collectively known as Norsad Capital Group are committed to contribute to combating and preventing bribery and corruption. The Group Anti-bribery and Corruption (ABC) policy is designed to comply with applicable statutory and regulatory obligations, as well as requirements designed to mitigate conduct risk. Corrupt acts, including bribery, may incur criminal penalties in terms of applicable legislation. The entity and associated persons can also face unlimited fines and reputational damage.

2. Purpose

The purpose of this policy is to ensure that Norsad's responsibilities and the responsibilities of those working for it or associated with it in observing and upholding its position on bribery and corruption are set, understood and complied with. The policy also seeks to provide information and guidance to those working with Norsad on how to detect, report, monitor and respond appropriately to any bribery or corruption which may occur.

Further, the policy aims to outline principles for conducting business with integrity and in accordance with the highest ethical standards and promote a culture of honesty and openness among the Directors, Officers and all staff of Norsad Capital.

This policy describes the behavior expected from Norsad's employees, Directors and suppliers/service providers to Norsad, as well as its partners, investee companies and their suppliers. Our zero-tolerance approach to bribery and corruption must be communicated to all our stakeholders at the onset of our business relationship with them and as appropriate thereafter.

3. Responsibility for the Policy

This Policy has been approved by the Board of Directors of Norsad Capital Limited.

The management has the primary responsibility for implementation and monitoring its use and effectiveness. Management is responsible for ensuring that all employees and Directors, as well as key representatives of investee companies and Norsad partners are made aware of and understand this policy.

The Audit & Compliance Head (ACH) will assist Management in identifying and managing bribery and corruption risk by conducting monitoring reviews to determine compliance with this policy and assist employees to report bribery and corruption incidents as per the ABC policy.

All employees, associated persons and third parties are responsible for understanding, complying with and applying this policy to the extent that this relates to their role or service to Norsad Capital.

4. Definitions

What is Bribery and Corruption?

Bribery can broadly be defined as involving the offer, promise, request, acceptance or transfer of anything of value either directly or indirectly to or by an individual, in order to improperly induce, influence, or reward the performance of a function or an activity.

Bribery may occur in a commercial arrangement or involve the misuse of public office or public power for private gain in order to obtain, retain or direct business or to improperly secure any other advantage in the conduct of business.

Corruption is the misuse of public office or power for private gain; or misuse of private power in relation to business outside the realm of government. Bribes can take on many different shapes and forms, but typically they involve corrupt intent.

A bribe could be for example:

- the direct or indirect promise, offering, or authorising of anything of value;
- the offer or receipt of any loan, fee, reward or other advantage;
- the giving of aid, donations or voting designed to exert improper influence; or offer of groundless employment, favours or contracts to a relative or friend of or related party to an individual or organisations that has influence in decision making related to an individual or a company.

Corrupt practices, although not exhaustive, includes bribery, fraud, undisclosed conflict of interest, abuse of office and authority, embezzlement, extortion and insider trading/abuse of privileged information.

Who may be engaged in Bribery and Corruption?

Bribery and corruption can be committed by:

- an employee, officer or director of a company;
- any person acting on behalf of a company (i.e. a third-party representative);
- employees of an organisation which authorise, permit or facilitate others to carry out such acts; or
- any individual participating in giving/receiving bribes by organising or facilitating bribery/assisting in the commissioning of bribery/encouraging perpetration of bribery.

Who gives bribes and who can be bribed?

People who are likely to be approached with bribes or corrupt conduct are generally those who are able to obtain, retain or direct business, or government officials involved in some aspect of the regulatory approvals or purchase of a company's products and services. There are three general bribery offences:

- the offence of bribing a person in commercial or other organisations;
- the offence of being bribed; and
- the offence of bribing a public officer.

Key Risk Area for Bribery and Corruption

Gifts, Entertainment and Hospitality

Gifts, entertainment and hospitality include the receipt or offer of gifts, meals or tokens of appreciation and gratitude, transportation, lodging, training, or invitations to conferences, events, functions or other social gatherings in connection with matters related to business activities. If no representative of the Organisation providing the hospitality is present, the hospitality should be treated as a gift, which will be subject to monetary limits prescribed in the ABC policy.

Limited corporate hospitality is a widely accepted aspect of building good business relationships. However, high level of integrity should be applied in defining the difference between acceptable and un-acceptable practices. In order to evaluate what is acceptable in terms of gifts, entertainment and hospitality, go through the following checklist before giving or receiving the type of items described in this section:

- What is the intent – is it to build a relationship or is it something else?

- How would you look if these details were on the front page of a newspaper?
- What if the situation were to be reversed – would there be a double standard?

If an officer finds it difficult to positively answer one of the above questions, there may be a risk involved, that the gift, entertainment or hospitality could be, or could appear to be, improper and could potentially damage Norsad's reputation and business. The action could be unlawful.

Political Donations, Charitable Donations and Sponsorships

Norsad does not make contributions to political parties, organisations or individuals engaged in politics. Norsad would only make charitable donations that are legal and ethical under local laws and practices and that are in accordance with Norsad's corporate social responsibility activities. Charitable donations may not be used as a subterfuge for bribery. Documentation and recordkeeping for charitable giving should be maintained in a register.

Facilitation Payments

The Group strictly prohibits the giving, offering, soliciting or receiving of facilitation payments. A facilitation payment is a small unofficial payment made to a government official to secure or expedite the performance of a routine or necessary action (for example, payments to obtain a permit or license, expediting issuance of entry or exit visas and customs clearances) to which the payer of the facilitation payment is entitled.

Duress payments

Situations arise when the employee's life, body, possessions, safety or honor may be threatened, and where the making of a payment may be the only way to escape the situation. Employees are not expected to place their personal safety at risk. Should such a scenario materialise, personal safety must be put first, and the requested payment be made. In such situations, the employees must inform the Audit and Compliance Head (ACH) immediately afterwards. Norsad Management shall then decide on what appropriate actions to take. Any payment made must be recorded in Norsad's books and specific Corruption Register in order to reflect the substance of the underlying transaction. The record of payment might also be required if legal proceedings are instituted.

Procurement

Contracting and purchasing are areas which are vulnerable to bribery and corruption and any person providing services to the group can potentially expose the Group to the risk. Examples of potential risk scenarios include;

- A third party bribes an employee to influence the appointment of the third party
- An employee accepts a bribe for the Groups/ employee's personal gain
- An employee bribes a representative of a third party to secure preferential terms on behalf of the Group.

All employees involved in the procurement of goods and services must ensure that they only accept gifts from suppliers or potential suppliers in accordance with the Group ABC policy and the Group Procurement policy.

Employment

Offers of employment or other paid or unpaid work experience (e.g. internships) as an inducement to obtain or retain business, to gain an unfair business advantage or to influence a regulatory action may violate applicable ABC laws. In order to prevent offers of employment or other work experience from being used improperly, Norsad shall follow the recruitment process and ensure that candidates are qualified/eligible and do not

receive special treatment based upon relationships with a Public Official, or an employee of a customer or potential customer.

Use of Third-Party Representatives, Intermediaries

For the purposes of the policy, the term third-party or an intermediary applies but is not limited to the following: customers, business agents, business development consultants, advisors or other persons or entities serving a similar function as well as distributors, contractors, suppliers, employees or governmental officials. Potential risks exist whenever a third-party conducts business activity on Norsad's behalf, so that the result of their actions can be seen as benefiting Norsad or its investee companies. Therefore, to mitigate the risks one should exercise great diligence in assessing the reputation for business integrity of prospective intermediaries by evaluating the background, experience, and reputation of the third party by:

- understanding the services to be provided, and methods of compensation and payment;
- evaluating the business rationale for engaging the third party;
- take reasonable steps to monitor the transactions of the third party; and
- ensuring there is a written agreement in place which acknowledges the third party's understanding of and compliance with this policy.

Further indicators that may point towards bribery or corruption are set out in the Appendix 1.

5. Norsad Policy on Corruption and Bribery

Norsad takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships in its operations. Transparency is key and often removes any doubts about corrupt intent. Norsad shall maintain a register in which any form of bribery and corruption related to Norsad operations, employees and stakeholders is recorded.

To avoid exposure to bribery and corruption, Norsad has defined the following specific guidelines.

Receipt or offer of gifts, entertainment and hospitality are acceptable provided they fall within reasonable bounds of value (should not exceed USD 100) and occurrence and are received/given for advertising or representative goals without receiving/giving back any material profit. Norsad allows its employees to make or accept hospitality or gifts provided that those:

- conform to local laws and customs;
- do not place the recipient under any obligation to the giver or appear to do so;
- are not prohibited by the policies of the recipient's employer;
- are appropriate in the circumstances e.g. it is customary for small gifts to be given at Christmas time;
- are given openly and not in secret;
- frequency of the gifts from the same client is minimal;
- are not from government officials or representatives, or politicians/political parties (unless prior approval was obtained from the CEO); and
- are not cash or cash equivalents (such as gift certificates or vouchers).

Procedure for declaration and handling of gifts

Employees may be offered gifts from time to time and as acceptance may result in conflict of interest and their duty to Norsad, such gifts may be accepted provided they are officially declared to the employees Manager or Chief Executive Officer for approval. Once declared, the gift must be entered in the gift register and a decision made by the

Finance Department in the same register. Marketing materials e.g. branded pens, diaries, key holders, thumb drives etc. do not need to be registered. Monetary gifts must not be accepted under any circumstances. Failure to declare a gift shall be viewed as a breach of this Policy and Norsad Ethical Code of Conduct/Conditions of Service and shall lead to disciplinary action.

Dealings with Associated Persons and Third parties

Dealings with Associated Persons include:

- Associated persons or third parties providing services to Norsad (suppliers)
- Associated persons over whom Norsad exercises or will exercise a degree of ownership or control (subsidiaries)
- Any agent, consultant or other associated party who has been employed or incentivised to introduce clients or transactions on behalf of Norsad or any affiliate with whom the company is involved in a specific deal/transaction.

Third parties who act on Norsad's behalf must at all times operate in accordance with and sign an acknowledgement of this policy. All illegal payments or gifts made through or by intermediaries for the purpose of obtaining, retaining or directing business for Norsad or its investee companies is prohibited. Any commission or fee to be paid to an intermediary must be:

- reasonable in amount in relation to the extent and nature of the services actually performed by the intermediary;
- paid in accordance with the Norsad's customary payment procedures and recorded properly on Norsad's accounts; and
- governed by a written agreement with the intermediary, which specifically prohibits illegal payments of gifts and provides for immediate termination of the agreement and cessation of future fee payments in the event of misconduct.

In order to maintain the highest degree of integrity in the conduct of Norsad business and to maintain their independent judgement, employees and directors must manage transparently any activity or personal interest that creates or appears to create a conflict between their own interest and interest of Norsad Capital. Any situation that involves, or may involve, a conflict of interest should be promptly disclosed to the CEO or the Chairman of the Board.

To avoid any cases of nepotism, Norsad employees may not be involved in progressed transactions where relatives and close friends are involved. They should declare to the CEO at the outset, their potential conflict of interest. Then depending on the nature of the conflict, Management will make the final decision on whether the employee should be included in the transaction.

6. Bribery and Corruption Prevention

Risk Assessment

Management must assess the vulnerability of specific areas in which Norsad faces bribery risks and allow it to better evaluate and mitigate these risks and thereby protect itself.

Due Diligence

In order to effectively combat/prevent bribery, Norsad needs to:

- know who it is doing business with;
- why, when and whom funds are released; and
- in certain circumstances, seek mutual anti-bribery agreements and/or acknowledgements.

Employees should make the following enquiries before embarking on a particular business venture:

- the reputation risks that a particular business opportunity could give rise to; and
- the reputation of individuals or organisations involved in key decisions (e.g. intermediaries or joint-venture partners).

Where a risk or potential risk regarding a bribery or corruption arrangement has been identified, employees and Directors shall take all possible actions to identify and avoid any illegal arrangements.

Accurate Books and Record-keeping

This Policy prohibits any improper accounting or concealment of complete and accurate financial activity. Norsad must ensure that books, records and overall financial reporting are transparent and reflects accurately each and all underlying transactions. Norsad shall maintain documentation for anything of value provided to/by customers, potential customers, Public Officials and third parties in a register. Further, Norsad should maintain a record of the Intermediaries they have engaged, including names, terms of engagement, due diligence conducted, services undertaken and payments. All identified cases of bribery and corruption shall be recorded in a specific Corruption Register.

Awareness, training and communication

Norsad will make available appropriate training, awareness, communication and guidance on this policy and other ABC related topics to all associated persons who are significantly subject to this policy.

6.1 Bribery and Corruption Prevention in the Investee Companies

During the investment appraisal phase, in the loan/investment legal documentation and in the monitoring of an investee company, Norsad shall actively promote and ensure that all Norsad's potential clients and investee companies shall:

- comply with all applicable legal and regulatory requirements in the jurisdictions in which they operate;
- maintain a zero tolerance regarding corruption;
- not directly or indirectly, offer or provide any undue payment, gifts, entertainment or hospitality to any individual or entity for the purpose of inducing such individual or entity to act contrary to their prescribed duties in order to obtain or secure any improper advantage;
- likewise, not, directly or indirectly, solicit or accept any undue payment or other consideration provided for the purpose of inducing the company to act contrary to its duties;
- adhere to the international frameworks and principles on anti-corruption and anti-bribery;
- promote the international frameworks and principles throughout their supply chains;
- contractually commit to comply with an anti-corruption policy which is satisfactory to Norsad; and
- immediately, without undue delay, provide Norsad with information on breaches of the Policy.

7. How to Raise a Concern

All Norsad employees, Directors and third-party representatives have a responsibility to help detect, prevent and report instances of bribery. Individuals who come across suspected instances of bribery either within Norsad, or by any third party affiliated with Norsad or by any of its competitor and/or investee companies, shall report this without

undue delay to the Audit and Compliance Head (ACH) for investigation and issues identified later escalated to the Norsad CEO or the Chairman of the Board. If the employee is not comfortable with speaking directly to the ACH on the specific matter, due to a potential conflict of interest, then the employee may directly bring this to the attention of the CEO. Norsad Capital Limited has also introduced an online reporting facility for complaints. Such e-mails can be directed to complaints@norsadfinance.com. If an individual is unsure whether a certain payment is considered a facilitation payment, bribery or corruption, they should consult the ACH, Norsad CEO or the Chairman of the Board.

The ACH will consider whether it is appropriate to refer information relating to the complaint to the appropriate national authorities and will seek the necessary internal authorization to do so in cases where a referral is warranted.

Any retaliation (including but not limited to any act of discrimination, harassment, suspension, dismissal, demotion or any other occupational detriment, direct or indirect) recommended or taken against a person who has reported bribery and corruption will be treated as gross misconduct and dealt with accordingly.

8. Consequences of policy violation

Appropriate disciplinary/remedial measures including summary dismissal will be effected in relation to the violation of the Anti-Bribery and Corruption Policy by the employee or termination of an agreement with a third party.

9. Monitoring and Review

Management will monitor the effectiveness and review the implementation of this policy, considering its suitability, adequacy and effectiveness. Improvements identified will be made as soon as possible. All Norsad employees and Directors are responsible for the success of this policy and should ensure they use it to disclose any suspected illegalities and wrongdoings.

The Audit and Compliance Head (ACH) plays an important role in enhancing corruption prevention and detection within Norsad. The Department continuously reviews the operational systems and internal controls to identify possible loopholes which could lead to corrupt practices within Norsad. This policy shall be reviewed biennially and on a need basis.

10. Effective Date

This Policy is published and adopted with effect from the date of approval.

POTENTIAL RISK SCENARIOS: BRIBERY AND CORRUPTION INDICATORS

The following is a list of possible scenarios that may arise, 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 to help you in compliance with the anti-corruption and anti-bribery policy. If you encounter any of these scenarios, you must report them promptly as per agreed internal reporting procedure and/or report to the relevant authority:

1. You become aware that a third party engages in, or has been accused of engaging in, improper business practices.
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 government officials.
3. A 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.
4. A party requests payment in cash and/or refuses to sign a formal commission and fee agreement; or refuses to provide an invoice or receipt for a payment made.
5. A party requests that payment is made to a country or geographic location different from where the third party resides or conducts business.
6. A party requests an unexpected additional fee or commission to “facilitate” a service.
7. A party demands entertainment or gifts before commencing or continuing contractual negotiations or provision of services.
8. A party requests that a payment is made to “overlook” potential legal violations.
9. A party requests that you provide employment or some other advantage to a friend or relative.
10. You receive an invoice from a party that appears to be non-standard or customised.
11. A party refuses to put terms agreed in writing.
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.
13. You are offered an unusually generous gift or offered lavish hospitality.
14. You are asked to give hospitality at which you are requested not to attend.
15. You are offered hospitality at which the giver is not going to be in attendance.
16. You are asked to give hospitality to persons who are not associated with the organisation (for example family members) or are offered hospitality which extends to persons beyond our business (for example family members).