

Updated: July 2020

**BUSINESS INTEGRITY POLICY**

## A. INTRODUCTION

*AgDevCo is committed to conducting its business with integrity in an honest and ethical manner. AgDevCo has zero tolerance of bribery, corruption, fraud, the facilitation of tax evasion and other unethical behaviour, whether under UK law or the law of any other country in which it operates. Such practices are contrary to fundamental values of integrity, transparency and accountability, and undermine organisational effectiveness. AgDevCo is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates and implementing and enforcing effective systems to counter any such unethical practices.*

### 1. Purpose and Scope

This Policy applies to AgDevCo and its group and affiliates (collectively, “AgDevCo”), as well as to AgDevCo’s directors, officers, employees, and other workers (including agents, consultants, contractors, trainees, seconded staff, homeworkers, casual workers, agency staff, volunteers and interns, wherever they are located and regardless of whether they are working part-time or full-time for AgDevCo) (collectively, “AgDevCo Representatives” or “Representatives”).

### 2. Breaches of this Policy

Compliance with the policies and procedures set forth in this Policy is mandatory. Violations will result in disciplinary action, which may include termination of employment or contract for misconduct or gross misconduct. AgDevCo may terminate its relationship with investees or other individuals or organisations it contracts with if they breach this Policy. Violation of this Policy can also lead to civil and criminal penalties, including fines or imprisonment for the individuals involved. The individuals and entities to whom this Policy applies should therefore familiarise themselves with the Policy, and seek advice from AgDevCo’s Legal Department if any questions arise. They also should report any suspected violations of this Policy to the General Counsel and/or Finance Director or pursuant to AgDevCo’s Whistleblowing Policy, which is available on AgDevCo’s website and on the staff intranet.

## B. ANTI-BRIBERY AND CORRUPTION

### 1. Policy Statement

Because AgDevCo operates in a number of countries, AgDevCo and its Representatives are subject to various anti-bribery laws, including the UK Bribery Act 2010, the US Foreign Corrupt Practices Act 1977, and the local anti-corruption laws in each of the countries in which AgDevCo operates (the “**Anti-Bribery Laws**”). AgDevCo and its Representatives must comply with all Anti-Bribery Laws at all times.

Taken together, the Anti-Bribery Laws prohibit AgDevCo and its Representatives from:

- ▶ offering, promising, giving or authorising any payment or other benefit to a Public Official<sup>1</sup> to obtain or retain business or secure some other business-related advantage;

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<sup>1</sup>The term “Public Official” includes elected or appointed officials at all levels of government, as well as anyone who is employed by a national, regional or local government, or a government-owned or controlled entity (e.g. a state owned enterprise); employees of international public organisations (e.g. the United Nations, the World Bank, and other international development agencies); and political parties, political party officials, and candidates for public office.

- ▶ offering, promising, giving or authorising any payment or other benefit to an individual in the private sector that is intended to cause that person to violate their duty of loyalty to their employer; and
- ▶ soliciting or accepting any payment or other benefit that is intended or thought likely to affect the duty of loyalty that AgDevCo Representatives owe to AgDevCo.

The Anti-Bribery Laws prohibit more than monetary payments. Offering, promising, giving or authorising the transfer of any benefit or advantage for an improper purpose is prohibited to the same extent as offering, promising, giving or authorising a monetary payment for an improper purpose. Even providing hospitality or entertainment may be held to violate the Anti-Bribery Laws if the hospitality or entertainment is deemed to have been excessive, thereby suggesting that it was offered or provided for a prohibited purpose or was likely to have a prohibited effect on the recipient.

AgDevCo Representatives must therefore take care to ensure that offers, promises or benefits given on AgDevCo's behalf do not have an improper purpose, are not likely to have an improper effect, and could not otherwise reasonably be construed as having such a purpose or effect.

AgDevCo can incur severe administrative, civil and criminal penalties if it is found to have offered, accepted or benefited from a bribe. Individual AgDevCo Representatives can also incur severe civil and criminal penalties, including fines and imprisonment, if they are found to have offered, accepted or benefited from bribes. Connivance or complicity in bribery, or wilful blindness to bribery, can lead to similar penalties.

## 2. Facilitation Payments

A facilitation payment is a small payment that is made to speed up a routine, non-discretionary government action, such as processing a visa, securing a mail service, or connecting utilities. Facilitation payments are illegal in almost every country in which they might be made, are illegal under the UK Bribery Act 2010 and may expose AgDevCo and its Representatives to a risk of prosecution. They are therefore prohibited.

The prohibition does not apply to modest and customary tips that are given to service employees in state-owned establishments, such as porters in state-owned hotels or servers in state-owned restaurants.

In situations in which an AgDevCo Representative is faced with a serious medical or safety emergency — for example, where urgent medical attention would not be provided, or a Representative would face a risk of physical violence, unless a facilitation payment was made — there may be a defence in respect of making such facilitation payment. An AgDevCo Representative who is faced with such an emergency must either seek prior approval from the General Counsel, or, in circumstances where seeking prior approval is deemed impossible or impractical, record the details of any such payment and submit that information in writing to the General Counsel within 48 hours of the payment being made. Any such payments should be accurately recorded as facilitation payments in AgDevCo's books and records.

### 3. Interactions with Public Officials

The Anti-Bribery Laws generally permit AgDevCo to pay the reasonable travel, lodging and related expenses of Public Officials when the travel serves a legitimate business purpose, such as showcasing an AgDevCo project.

Before agreeing to pay such expenses, the AgDevCo Representative who has responsibility for the Public Official's arrangements should submit a payment request to the General Counsel. Written approval of the arrangement must also be obtained from the Public Official's public employer.

Whenever possible, AgDevCo should pay providers (such as hotels or airlines) directly for any travel, lodging and related expenses of Public Officials. Any exception to this requirement must be approved in advance by the General Counsel. Receipts must always be obtained.

Whenever prior approval has been provided, AgDevCo may only reimburse the Public Official for reasonable travel, lodging and related expenses if the expenses are supported by original receipts (not copies). This requirement applies even if the travel or lodging has been arranged by a third party such as a travel agent. If original receipts are not provided, copy receipts may be accepted with the approval of the General Counsel.

Records must be kept of any travel, lodging or related expenses of a Public Official that have been paid for or reimbursed by AgDevCo. These records must include the original receipts, and describe accurately and in reasonable detail why AgDevCo agreed to cover such expenses.

In addition to the procedural requirements above, payments for the travel, lodging or related travel expenses of a Public Official must not:

- ▶ (save with General Counsel's approval) be for a class of travel or lodging that is more expensive than would be permitted for an AgDevCo Representative holding a comparable position within AgDevCo;
- ▶ cover any persons other than the Public Official (such as family members or friends);
- ▶ include additional side trips or extra days of travel or lodging that are not directly related to the business purpose justifying the travel (unless the side trips or extra days are at the Public Official's own expense and result in no additional cost to AgDevCo).

*Per diem* payments to Public Officials are not permitted, save to the extent these are in accordance with the published regulations of the Public Official's employer, a receipt is obtained, and a record kept.

### 4. Gifts, Hospitality and Other Business Courtesies

AgDevCo Representatives may only give gifts, or provide hospitality or other business courtesies, on behalf of AgDevCo if the gift, hospitality or business courtesy is:

- ▶ legal under local law;
- ▶ in accordance with local business or other custom;
- ▶ *de minimis* in value;
- ▶ not designed to influence or obligate the recipient;

- ▶ infrequent;
- ▶ appropriate for the occasion; and
- ▶ of a nature that would not embarrass AgDevCo if publicly disclosed.

No gift, hospitality or business courtesy, no matter how small, may be provided if the gift could reasonably be expected to affect the outcome of a government decision or business transaction, confer any other advantage on AgDevCo, or otherwise create the appearance of impropriety.

No AgDevCo Representative may give to any recipient:

- ▶ gifts worth more than USD 50.00 each, and USD 200.00 in the aggregate over a one-year period. Gifts of cash or cash equivalents (such as gift certificates or securities) are prohibited under all circumstances; or
- ▶ hospitality or other business courtesies worth more than USD 50.00 per event, and USD 200.00 in the aggregate over a one-year period.

AgDevCo Representatives are prohibited from:

- ▶ accepting or receiving any gift, hospitality or other business courtesies that could influence, or be perceived to influence, their business decisions on behalf of AgDevCo, or place them in a position to derive a direct or indirect benefit from a party having business dealings with AgDevCo; or
- ▶ accepting any gifts, hospitality or other business courtesies in any event with a value in excess of USD 50.00. If any gift, hospitality or other business courtesy with a value greater than USD 50.00 is received, the recipient must report the gift, hospitality or other business courtesy to the General Counsel immediately who will determine whether the gift should be returned, or whether the individual or entity that provided the hospitality or other business courtesy should be reimbursed for the expense. Any gifts or hospitality accepted (with the consent of the General Counsel) with a value greater than USD 50.00 or equivalent, should be noted in the AgDevCo register of gifts/hospitality which is maintained by the General Counsel in the London office.

AgDevCo Representatives must submit all expense claims relating to hospitality, gifts or payments to third parties in accordance with AgDevCo's travel and expenses policy and record the reason for expenditure.

AgDevCo Representatives may never ask for or solicit gifts, hospitality or other business courtesies from individuals or entities doing business, or seeking to do business, with AgDevCo. Unsolicited gifts, hospitality and business courtesies, including meals and entertainment, are typically acceptable if they are:

- ▶ legal under local law;
- ▶ in accordance with local business or other custom;
- ▶ *de minimis* in value;
- ▶ infrequent;
- ▶ not designed to influence or obligate;
- ▶ appropriate for the occasion; and
- ▶ of a nature that would not embarrass AgDevCo if publicly disclosed.

Gifts of cash or cash equivalents (such as gift certificates or securities) are prohibited under all circumstances.

## 5. Charitable Donations

Whilst individuals may of course make charitable donations in a personal capacity, charitable donations may not be made on behalf of AgDevCo without the prior approval of both (a) the Board of Directors; and (b) the Department for International Development. When considering whether to approve the charitable donation, the Board will consider:

- ▶ the intention behind the donation;
- ▶ the public perception regarding the donation; and
- ▶ the applicable legal and regulatory environment.

All charitable donations must be accurately recorded and a receipt required from the recipient.

Charitable donations may never be made on behalf of AgDevCo as part of an exchange of favours with any Public Official or person in the private sector, even if the recipient organisation is a legitimate charity.

## 6. Political Contributions

Political contributions on behalf of AgDevCo to political candidates, political parties and political party officials are prohibited. This prohibition covers contributions of any kind, including cash, loans, gifts, membership fees and all other non-cash contributions, including in-kind contributions such as office supplies, the use of office space, and other non-cash items or services.

AgDevCo Representatives may not agree to any request for a political contribution on behalf of AgDevCo. Neither may they cause AgDevCo to make payments to lobbying firms, charities, agents, contractors or others as a way of circumventing the ban on political contributions.

The prohibition on AgDevCo political contributions is not intended to prevent AgDevCo Representatives from engaging in approved lobbying activities for the benefit of AgDevCo, or restrict the right of AgDevCo Representatives to make personal political contributions or otherwise participate in personal political activities on their own time and using their own resources.

## C. CRIMINAL ACT OF FACILITATION OF TAX EVASION

### 1. Policy Statement

Tax evasion is a serious criminal offence and increases the costs and compliance burdens of all taxpayers. AgDevCo will not engage in any activity which evades tax or facilitates or may facilitate the evasion of tax by any person. It does not matter whether the taxes are UK taxes, are due in a country where an AgDevCo subsidiary is located, or are due to another overseas fiscal authority.

When AgDevCo enters into written contracts for services with third parties, it will ensure that wording is incorporated in the relevant contract to require adherence to this Policy, in order to comply with tax laws, such as the UK's 2017 Criminal Finances Act. In this Policy, a **“third party”** is any individual or organisation that AgDevCo or its Representatives comes into contact with during the course of its/their work, and includes actual and potential investees and clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies (including politicians and political parties) and their advisers, representatives and officials.

Specifically, AgDevCo expects all Representatives to take steps to ensure that they are not facilitating others to commit tax evasion, either in the UK or overseas. This includes not participating in transactions where tax evasion by a third party is suspected. AgDevCo will question and decline business where there are any grounds for suspicion.

All cases of suspicion in relation to future or existing business, contracts or investments should be first reported to AgDevCo's Finance Director and/or General Counsel (or, if not practicable, to any other relevant contact referred to in AgDevCo's Whistleblowing Policy) before making any decisions in relation to existing business relationships or committing AgDevCo to invest or transact in the manner proposed.

AgDevCo can face criminal sanctions (including unlimited fines) and potentially suffer significant reputational damage if it fails to take appropriate steps to prevent Representatives facilitating tax evasion. AgDevCo takes its legal responsibilities very seriously.

AgDevCo expects all parties acting with it or for it (specifically its employees, consultants, counterparties and investees), to adopt a similarly robust approach.

## 2. Prohibition of Tax Evasion

It is prohibited for AgDevCo or any of its Representatives (or for someone on its/their behalf) to:

- ▶ engage in any form of facilitating tax evasion;
- ▶ aid, abet, counsel or procure the commission of tax evasion by another person;
- ▶ fail to promptly report any request or demand from any third party to facilitate tax evasion, or any suspected tax evasion by another person, in accordance with this Policy;
- ▶ engage in any other activity that might lead to a breach of this Policy; or
- ▶ threaten or retaliate against another individual who has refused to commit a tax evasion offence or who has raised concerns under this Policy.

## 3. What is tax evasion and what is the facilitation of tax evasion?

For the purposes of Part C of this Policy, "**tax evasion**" means the deliberate and dishonest use of illegal practices in order not to pay the right amount of tax, whether in the UK or any other applicable jurisdiction. Tax evasion requires an element of fraud, which means that there must be deliberate action, or omission, with a dishonest intent.

Tax evasion is not the same as tax avoidance or tax planning. Tax evasion involves deliberate and dishonest conduct. Tax avoidance is not illegal and involves taking steps (within the law) to minimise tax payable or maximise tax reliefs.

Under the UK's Criminal Finances Act 2017, a separate criminal offence is automatically committed by a company where the tax evasion is facilitated by a person acting in the capacity of an 'associated person' to that company. For the offence to be committed, the associated person must deliberately and dishonestly take action to facilitate the tax evasion by the taxpayer. The company does not have to have deliberately or dishonestly facilitated the tax evasion itself; the fact that the associated person has done so creates liability for the company.

The following is a list of red flags which may raise concerns relating to tax evasion if encountered whilst working for AgDevCo (and which should be reported to the contacts named in section C3 of this Policy). The list is not intended to be exhaustive and is for illustrative purposes only:

- ▶ You become aware, in the course of your work, that a third party has made or intends to make a

false statement or deliver a false document relating to tax;

- ▶ You become aware, in the course of your work, that a third party has deliberately not filed an accurate tax return;
- ▶ You become aware, in the course of your work, that a third party has failed to disclose income or gains to a taxation authority;
- ▶ You become aware, in the course of your work, that a third party has set up or intends to set up a structure, or is diverting funds deliberately to try illegally to hide income, gains or assets from a taxation authority;
- ▶ You become aware, in the course of your work, that a third party is hiding beneficial ownership and taxable assets illegally from a taxation authority;
- ▶ You become aware, in the course of your work, that a third party has deliberately failed to register for VAT (or the equivalent in a jurisdiction outside the UK) or failed to account for VAT, or otherwise failed to record transactions in accounting records by transacting in cash;
- ▶ You become aware, in the course of your work, that a third party working for AgDevCo as an employee asks to be treated as a self-employed contractor, without any changes to their working conditions;
- ▶ You become aware or else suspect that an individual employed by AgDevCo as a self-employed contractor is or has the hallmarks of being an employee;
- ▶ 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 to whom AgDevCo has provided services requests that their invoice is addressed to a different entity, where we did not provide services to such entity directly;
- ▶ A third party requests payment for an invoice in an amount that is different to the amount specified on the invoice;
- ▶ A third party requests that payment for an invoice is made to a different payee other than that on the invoice, or else varies the payment details to that on the invoice;
- ▶ A third party insists on the use of side letters or refuses to put terms agreed in writing or asks for contracts or other documentation to be backdated;
- ▶ 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;
- ▶ You notice that we have been invoiced for a fee payment or commission that appears too large or too small, given the service stated to have been provided;
- ▶ You notice that an expense claim has been falsified that may also have a knock-on effect of evading tax;
- ▶ You notice that a third party has deliberately overstated group cross-border intercompany charges where this may impact the corporation tax due.

#### 4. Reporting

Tax evasion and the facilitation of tax evasion are criminal acts. AgDevCo expects all of its employees to report actual or suspected non-compliance with this Policy (whether by AgDevCo, a Representative or a third party) to the Finance Director and/or General Counsel (or, if not practicable,



to any other relevant contact referred to in AgDevCo's Whistleblowing Policy) at the earliest possible stage

For the purposes of his/her employment, an employee will be considered to have committed a serious offence if:

- ▶ he/she undertakes tax evasion or knowingly facilitates tax evasion whilst acting in his/her capacity as an employee; or
- ▶ he/she becomes aware that another Representative or a third party has undertaken or is in the process of undertaking tax evasion or facilitating tax evasion, and he/she fails to report it.

If there is uncertainty about whether a particular act constitutes tax evasion, it should be raised with AgDevCo's Finance Director and/or General Counsel as soon as possible without fear of recrimination. A deliberate failure to report suspected tax evasion, or "turning a blind eye" to suspicious activity could amount to criminal facilitation of tax evasion.

## **D. GENERAL**

### **1. Whistleblowing**

Any AgDevCo Representative who becomes aware of a potential violation of this Policy or the Anti-Bribery Laws or tax laws or other applicable laws should report the matter to the General Counsel, Finance Director or Frances Reid (Non-Executive Director of AgDevCo's Board of Directors) or otherwise pursuant to AgDevCo's Whistleblowing Policy. The report should be made as soon as possible upon the Representative becoming aware of the potential violation.

Please refer to AgDevCo's separate Whistleblowing Policy for more details as to how a whistleblowing report should be made and the protections granted to whistleblowers.

### **2. Policy Development and Implementation**

The Board of Directors (represented by Frances Reid) has overall responsibility for the development and implementation of this Policy. This responsibility extends to ensuring the existence of appropriate training for AgDevCo Representatives.

This Policy does not form part of any employee's contract of employment and may be amended at any time. This Policy shall be reviewed and, if necessary, updated annually.

Training on this policy is provided as part of the induction process for all new joiners. Regular 'refresher' training is provided on an annual basis.

Compliance with the Policy shall be audited by the Board at least every two years. Such auditing should include a general evaluation of the Policy's operation, including the identification of potential improvements to the Policy or related procedures. It also should include a review of documentation relating to interactions with AgDevCo's Business Partners. Reports of the compliance audits should be retained by AgDevCo for a period of five years.

The General Counsel maintains a register of matters reported under this policy and reports to the Board of Directors on the compliance with this policy on an annual basis.

The Board would welcome comments from AgDevCo Representatives regarding the Policy and suggestions for improvements.

### 3. Questions

If you have any questions regarding this Policy, please contact the General Counsel, the Finance Director or any member of the AgDevCo Legal Team.