



# **ANTI-BRIBERY AND CORRUPTION POLICY**

**FOR**

**EPSIDON TECHNOLOGY HOLDINGS (PTY) LTD  
AND ITS AFFILIATES**

Legal Division

Revision 3

Effective Date: December 2017

Date of Compilation: November 2017

This document (including but not limited to manuals, policies, procedures, forms) applies to all Affiliated Companies of Epsidon Technology Holdings (Pty) Ltd.

**“Affiliated Company(ies)”** means, in relation to Epsidon Technology Holdings (Pty) Ltd, a subsidiary of this entity, or any division or operating branch of each subsidiary of this entity and all of its subsidiaries. Including but not limited to:

- Cloud Brokerage Services (Pty) Ltd
- Epsidon Management and Marketing Consultancy (Pty) Ltd
- Epsidon Technology Distribution (Pty) Ltd
- The Linux Warehouse (Pty) Ltd
- Even Flow Distribution (Pty) Ltd
- Nology (Pty) Ltd
- First Device Management Technology (Pty) Ltd

This list is subject to amendment at the sole discretion of the Epsidon Technology Holdings (Pty) Ltd and will include all affiliates whether listed or not.

**Revision History**

VERSION NUMBER	REVISION DATE	EFFECTIVE DATE	COMPILED BY	APPROVED BY HEAD OF GROUP LEGAL	DESCRIPTION OF CHANGE
01	01/2015	02/2015	Yuraisha Mari	Yuraisha Mari	First version
02	01/2017	02/2017	Reinardt Munnik	Yuraisha Mari	Amended cover page, included Revision History table and Retention table, amended policy wording, included applicable legislation.
03	11/2017	12/2017	Rob Catterall	Yuraisha Mari	Review / Update

**Quality Records Table- Retention Table**

**Department:** Legal Department

IDENTIFICATION	STORAGE	PROTECTION	RETENTION TIME	VERSION IN PROCESS	DISPOSITION
ABC Policy	Electronic	Back-up	N/A	LEGAL-POL-02	N/A

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## 1. INTRODUCTION

- 1.1. Epsidon Technology Holdings (Pty) Ltd (Registration number: 2012/040781/07) and its Affiliates (“Affiliate” means, in relation to Epsidon Technology Holdings (Pty) Ltd, a subsidiary of this entity, or any division or operating branch of each subsidiary of this entity and all of its subsidiaries) (hereinafter referred to as the “the Epsidon Group”) is committed to combating corruption, bribery and anti-competitive collusion, through the implementation of this Anti-Bribery and Corruption Policy (“**this Policy**”).
- 1.2. The Epsidon Group prohibits all forms of corrupt behaviour or anti-competitive collusive practices including:
- 1.2.1. attempts to conceal or failure to accurately record the true nature of the Epsidon Group’s business activities; and
- 1.2.2. falsification or tampering with the Epsidon Group’s books and records.
- 1.3. The Epsidon Group adopts the objectives of this Policy and recognises the legal importance of complying with all anti-bribery, anti-corruption and anti-competitive collusive laws, regulations, and/or policies of South Africa, (“**SA anti-bribery laws**”), including but not limited to:
- 1.3.1. the Prevention and Combating of Corrupt Activities Act, No 12 of 2004 (“**PACCA**”)
- 1.3.2. the Prevention of Organised Crime Act, No 121 of 1998 (“**POCA**”);
- 1.3.3. the Financial Intelligence Centre Act, No 38 of 2001 (“**FICA**”);
- 1.3.4. the Criminal Procedure Act, No 51 of 1977 (“**CPA**”);
- 1.3.5. the Competition Act, No 89 of 1998 (“**the Competition Act**”); and
- 1.3.6. the Companies Act, No 71 of 2008 (“**the Companies Act**”).

- 1.4. This Policy further recognizes international legal requirements, where applicable, of:
  - 1.4.1. the UK Bribery Act, 2010;
  - 1.4.2. the Foreign Corrupt Practices Act of 1977;
  - 1.4.3. the South African Development Community's Protocol against Corruption;
  - 1.4.4. the laws against bribery, corruption and anti-competitive collusive practices in all other jurisdictions in which the Epsidon Group conducts business, (collectively referred to as "International anti-bribery law")

## **2. SCOPE AND PURPOSE**

- 2.1. This Policy applies to all directors, employees (whether permanent, fixed term or temporary), consultants and agency staff of the Epsidon Group ("Employees") and dictates the manner in which the Epsidon Group and its Employees conducts business, in order to prevent bribery, anti-competitive and corrupt practices.
- 2.2. This Policy has been developed to dictate the appropriate standards of behaviour required by the Epsidon Group, in order to prevent bribery, corruption and anti-competitive collusive practices in the various jurisdictions in which the Epsidon Group operates.
- 2.3. This Policy is in addition to and not a replacement of any existing anti-bribery, corruption, and conflicts of interest obligations of the Epsidon Group. Where any obligation adopted by the Epsidon Group conflicts in any way with this Policy or any local governing law, the policy, obligation or law providing the greatest level of protection against bribery, corruption, and conflicts of interest shall prevail.

### **3. POLICY STATEMENT**

3.1. It is the Epsidon Group's policy to conduct its business with transparency and integrity, enforcing a zero tolerance approach to bribery and corruption. The Epsidon Group is committed to maintaining honesty and professionalism in all its business dealings and relationships while operating, implementing and enforcing effective systems to counter bribery, anti-competitive behaviour and corruption.

3.2. The nature of the Epsidon Group's business requires interaction with persons within various levels of governments, multi-national client companies and third party service providers throughout Africa and the rest of the world. The Epsidon Group is therefore committed to upholding and abiding by the rules and regulations of:

3.2.1. the applicable laws in the countries in which it does business;

3.2.2. SA anti-bribery laws;

3.2.3. International anti-bribery laws; and

3.2.4. this Policy.

### **4. BRIBERY AND CORRUPTION**

4.1. Bribery is where a person offers, promises, gives or receives, demands or accepts a financial or other advantage to/from another person with the intention to bring about the improper performance by that other person of a relevant function or activity or to reward such improper performance. Corruption is defined broadly as "the abuse of power for personal gain" and, bribery and fraud are considered to be corrupt practices.

4.2. Employees are prohibited from engaging in any acts of bribery or corruption, whether directly or indirectly, with government officials or private individuals.

## **5. FACILITATION PAYMENTS**

5.1. Facilitation payments are usually small payments or gifts made to public officials in order to speed up or “facilitate” actions which the officials are already duty-bound to perform. Facilitation payments are classified as bribes and as such are illegal in South Africa and in other countries where the Epsidon Group operates.

5.2. Employees are prohibited from offering or making facilitation payments, even where such payments are perceived as business practice or acceptable under the local law.

### **5.3. Legitimate fees**

5.3.1. A legitimate fee is sometimes payable for a speedy service provided by the government, where this is legally permissible. For example, a published amount to get a visa or a new passport more quickly from a consulate. Payment of such fee is acceptable provided there is a defined business need, the payment is transparent and open, a receipt is obtained for the payment and the expense is properly recorded in the Epsidon Group’s financial records. It would not, of course, be legitimate, if it is a private payment to the official concerned, in order for him to expedite such an application.

## **6. TRAVEL, GIFTS, ENTERTAINMENT AND HOSPITALITY**

6.1. Employees are prohibited from making or receiving payments to or from third parties for travel expenses, gifts, hospitality, gratification or entertainment, which could affect or be perceived to affect the outcome of a business transaction and is not reasonable and *bona fide*.

6.2. The Epsidon Group has adopted an extensive Gifts and Entertainment Policy which is incorporated herein by reference. All Employees are required to familiarise themselves with the Gifts and Entertainment Policy and to adhere to the rules and regulations outlined therein.

## **7. POLITICAL AND CHARITABLE DONATIONS AND SPONSORSHIP**

- 7.1. The Epsidon Group is not affiliated with any governmental or political organisations and therefore does not make any contributions towards governmental or political institutions or parties.
- 7.2. Employees are prohibited from directly or indirectly making a contribution to any political party, organisation or individual engaged in politics in order to obtain an improper advantage in the business conducted by the Epsidon Group. Employees are furthermore prohibited from offering or make any contribution as an incentive or reward for obtaining or retaining business or for any improper purpose.
- 7.3. Employees may make charitable contributions and offer sponsorships for the purposes of socio-economic development, research, cultural and sporting activities, provided that such donations are made in the Employees' personal capacities and are not for improper business purposes. Employees are prohibited from offering or making any charitable contribution as an incentive or reward for obtaining or retaining business or for any improper purpose.

## **8. BUSINESS RELATIONSHIPS**

### **8.1. Working with Business Partners**

- 8.1.1. The Epsidon Group requires suppliers, distributors, resellers, vendors, contractors, sub-contractors, agents and other business partners ("**Business Partners**") to at all times adhere to our Anti-Bribery and Corruption Policy for Business Partners and to act in accordance with the Epsidon Group's standards in relation to bribery and corruption.
- 8.1.2. It is the responsibility of the Employees when engaging with Business Partners to conduct an appropriate due diligence process. In this regard, Employees are responsible to ensure that:

8.1.2.1. all Business Partners formally accept and agree to adhere to the Epsidon Group's Anti-Bribery and Corruption Policy for Business Partners, which includes a declaration confirming that the relevant Business Partner hasn't been formerly charged and/or convicted of any bribery, corruption or anti-competitive offenses;

8.1.2.2. all Business Partners complete and sign a declaration of interest;

## **8.2. Compensation and payments to Business Partners**

8.2.1. The Epsidon Group and its Employees will not make or authorise improper payments to Business Partners through agents or other intermediaries. Compensation paid to Business Partners should be appropriate and justified remuneration for legitimate services rendered and/or products provided, and should be supported by documentary proof i.e. invoices, written agreement, proof of delivery, written orders, etc. The Epsidon Group and its Employees are prohibited from:

8.2.1.1. entering into agreements that do not have a clear and proper commercial rationale;

8.2.1.2. paying unreasonably more than the fair market value for goods and services;

8.2.1.3. making payments to Business Partners without having a binding written agreement (whenever possible) and/or supporting documentary proof linked to the provision of legitimate products and/or services.

## **8.3. Collusive Practices**

8.3.1. Collusive tendering or bid rigging is defined as an agreement amongst competitors not to compete on bids they submit after being invited to tender. Collusive tendering includes engaging in cover pricing so that a competitor company can win a tender in exchange for a sub-contract agreement and/or a kick back. Cover pricing refers to a practice that occurs where a company wishes, or believes it is necessary, to be seen to tender for a particular project but either does not wish to win the tender; or does not have the time or resources to prepare a carefully priced tender for that project. In this

instance it is aware of the price its competitors are submitting and purposefully over-prices its submission to ensure its competitor is awarded the business in exchange for a sub-contract and/or kick back.

8.3.2. The Epsidon Group prohibits any form of collusive practices.

8.3.3. Employees are prohibited from participating in collusive tendering, whether formal, informal, contractual, non-contractual, or from engaging in cover pricing to favour one or more companies in exchange for a benefit. Collusive tendering refers to a situation in which companies share information illegally among themselves when offering to supply goods or services, in order to control the price.

## **9. CONFLICTS OF INTEREST**

9.1. Conflicts of interest occur when an employee has a direct or indirect personal or economic interest in a business transaction. It may also apply to situations where any member of an Employee's family or close circle has some involvement with the other party to the transaction, and may stand to benefit financially from that involvement.

9.2. Employees must avoid situations or transactions in which their personal interests could conflict or might be seen to be in conflict with the interests of the Epsidon Group.

9.3. The Epsidon Group and its Employees are prohibited from:

9.3.1. using contacts or any knowledge gained at the Epsidon Group for personal gain, or to benefit family and friends;

9.3.2. paying a third party more than contractually agreed i.e. market based fee for goods and services;

9.3.3. creating the impression that customers or suppliers have a contact in the Epsidon Group who can exert influence on their behalf.

## **10. REPORTING SUSPICIOUS ACTIVITIES**

- 10.1. The prevention, detection and reporting of bribery, corruption and conflicts of interest is the responsibility of all Employees and those working under the control of the Epsidon Group.
- 10.2. Employees are required, when discovering or suspecting bribery, corruption or conflict of interest, to immediately report the issue or suspicion to their Line Manager or the Epsidon Group Legal Department. If you are unsure whether a particular act constitutes bribery, corruption or conflict of interest, you must raise your concerns with your Line Manager who will report it to the Epsidon Group Legal Department.
- 10.3. The Epsidon Group does not tolerate any form of retaliation, harassment or intimidation of a whistle-blower by others as a result of raising concerns in good faith. All concerns will be investigated and appropriate action taken. The Epsidon Group will investigate all reports of bribery, corruption and conflicts of interest.

## **11. ANTI-BRIBERY AND CORRUPTION TRAINING**

- 11.1. The Epsidon Group will provide training to Employees from time to time to assist Employees in understanding his/her responsibilities in respect to anti-bribery and corruption. Employees must participate in and complete the training offered by the Epsidon Group at least once every 6 (six) months and whenever the Epsidon Group requests Employees to complete such training.