

RAA ELITES SACCO SOCIETY LIMITED

Anti-Bribery and Corruption Policy

Introduction

This policy sets out the general rules and principles to which employees of RAA ELITES SACCO adhere to. It explains the measures that RAA ELITES SACCO takes to maintain high ethical standards.

RAA ELITES SACCO has INTEGRITY as one of its core values. We are committed to doing business lawfully, ethically, and with integrity. As part of this commitment, all forms of bribery and corruption are unacceptable and will not be tolerated. We will not, and we must ensure that any third party acting on our behalf does not, act corruptly in dealings with any other person.

The formulation of this policy is in recognition of the fact that bribery and corruption are not only immoral but also illegal. It is an affirmation by RAA ELITES SACCO that it considers engagement in bribery and corruption unacceptable and that all necessary disciplinary and other sanctions will be applied in the event of a breach. In addition, individuals found to have engaged in bribery and corruption are criminally liable, risking significant fines and/or imprisonment on conviction.

This policy provides guidance on the standards of behavior to which all Personnel must adhere and most of these reflect the common sense and good business practices that we all work to in any event. It is designed to help identify when something is prohibited so that bribery and corruption are avoided.

Who this policy applies to

The fundamental standards of integrity under which we operate do not vary depending on where we work or who we are dealing with. It is the responsibility of each of us to ensure that we comply with these standards in our daily working lives. Therefore, this policy applies to:

- All geographic locations and functions within RAA ELITES SACCO;
- All subsidiary companies;
- All RAA ELITES SACCO officers, employees (full and part-time), and temporary workers (such as consultants or contractors) (together referred to as "Personnel" in this document) no matter where they are located or what they do.
- All third parties acting on behalf of RAA ELITES SACCO. These include but are not limited to, agents, suppliers, and any other business partners.

Personnel will be required to confirm that they have read, understood, and comply with the policy as part of their ongoing employment assessment processes. In addition, all third parties who do business with RAA ELITES SACCO will be expected to make an undertaking to observe the provisions of this policy in all their dealings with or on behalf of RAA ELITES SACCO.

What is bribery and corruption?

It involves the following:

- when a financial or other advantage is offered, given, or promised to another person to induce or reward them or another person to perform their responsibilities or duties improperly (it does not have to be the person to whom the bribe is offered that acts improperly);
- when a financial or other advantage is requested, agreed to be received, or accepted by another person to induce or reward them or another person to perform their responsibilities or duties inappropriately (it does not have to be the person who receives the bribe that acts improperly).

It does not matter whether the bribe is:

- given or received directly or through a third party (such as someone acting on RAA ELITES SACCO behalf, for example, an agent, supplier, partner, or other intermediary); or
- for the benefit of the recipient or some other person.

Bribes can take many forms, for example,

- money (or cash equivalent such as shares);
- unreasonable gifts, entertainment, or hospitality;
- kickbacks;
- unwarranted rebates or excessive commissions (e.g. to sales agents or marketing agents);
- unwarranted allowances or expenses;
- “facilitation” payments/payments made to perform a standard job quicker and/or prioritize a particular customer;
- political/charitable contributions;
- uncompensated use of company services or facilities; or
- anything else of value.

How do I know if something is a bribe?

In most circumstances, common sense will determine when a bribe is being offered.

However, here are some questions to ask if in doubt:

- Am I being asked to pay something or provide any other benefit over and above the cost of the services being performed, for example, an excessive commission, a lavish gift, a kickback, or make a contribution to a charity or political organization?
- Am I being asked to make a payment for services to someone other than the service provider?
- Are the hospitality or gifts I am giving or receiving reasonable and justified, would I be embarrassed to disclose them?
- When a payment or other benefit is being offered or received, do I know or suspect it is to induce or reward favorable treatment, to undermine an impartial decision-making process, or to persuade someone to do something that would not be in the proper performance of their job?

Policies and procedures

General prohibition

RAA ELITES SACCO has a zero-tolerance policy towards bribery and corruption and as such, all forms of bribery and corruption are prohibited. Any breach of this policy could result in disciplinary action being taken and ultimately could result in dismissal. A bribe does not have to take place – just promising to give a bribe or agreeing to receive one is prohibited. Bribery is prohibited when dealing with any person whether they are in the public or private sector and the provisions of this policy are of general application. However, many countries have specific controls regarding dealing with public officials and these should be followed within those countries.

Gifts and hospitality

Giving or receiving gifts or hospitality is often an important part of maintaining and developing business relationships. However, all gifts and hospitality should be for a genuine purpose, reasonable, and given in the ordinary course of business. Generally speaking, lavish or unreasonable gifts or hospitality, whether these are given or received, are unacceptable as they can create the impression that we are trying to obtain or receive favorable business treatment by providing individuals with personal benefits. In addition, gifts and hospitality can themselves be a bribe. You must not request, accept or offer gifts or entertainment designed to influence, support, or reward any current or future business involving RAA ELITES SACCO.

More particularly, it is prohibited to:

- Request gifts or entertainment at any time;
- Give or accept lavish or unreasonable gifts or entertainment from third parties ;
- Give gifts of cash to or receive gifts of cash from Public Officials, clients, or any third party (such as a supplier)
- Give cash gifts to more senior Personnel (this does not apply to gifts of cash where such gifts are made as part of normal office practice e.g. wedding, leaving, bereavement, or birthday collections);
- Offer gifts, entertainment, or hospitality that they know or suspect will breach the limit of what is considered to be reasonable for normal business.

Gifts, entertainment, or hospitality not falling into these categories are generally permitted. However, a Gifts & Hospitality Register is required to be established and maintained locally for all gifts and entertainment received/offered above the specified general or local thresholds (as applicable). The general thresholds are Kenya Shillings 10,000 for gifts and Kenya Shillings 15,000 or equivalent in the applicable local currency (per person) for hospitality/entertainment. However, where a local threshold has been established, this will take precedence. If Personnel are offered or are in receipt of gifts, hospitality, or thresholds above the applicable threshold, they will report the details of this to their supervisor/HR manager who will facilitate recording them in the local Gifts and Hospitality Register.

Facilitation payments.

Facilitation payments are any payments, no matter how small, given to an official to increase the speed at which they do their job. For example, this could include speeding up customs clearance. All facilitation payments are illegal and are prohibited under this policy, as is anything that might be interpreted as a facilitation payment unless expressly permitted under written local legislation. RAA ELITES SACCO Personnel across all geographic locations must not make facilitation payments. RAA ELITES SACCO will not tolerate or condone the making of such payments by any employee or any entity acting on its behalf.

Agents, suppliers, and other partners.

RAA ELITES SACCO could be liable for the acts of people that act on its behalf. This includes agents, suppliers, and other partners (together referred to as “third parties”). As such, we are committed to promoting compliance with effective anti-bribery and corruption policies by all third parties acting on our behalf. All arrangements with third parties should be subject to clear contractual terms, including specific provisions requiring them to comply with minimum standards and procedures about bribery and corruption. We will not engage any third party who we know or reasonably suspect of engaging in bribery or corruption. Local management will be responsible for conducting appropriate due diligence, which should be undertaken before any third parties are engaged. Some high-risk transactions will require further due diligence which may require independent investigation.

Dealing with public officials.

Although this policy applies to both public and private sectors, dealing with public officials poses a particularly high risk of bribery due to the strict rules and regulations in many countries. Public officials include those in government departments, but also employees of government-owned or controlled commercial enterprises, international organizations, political parties, and political candidates.

Corrupting a public official is a serious offense. Therefore, the provision of money or anything else of value, no matter how small, to any public official to influence them in their official capacity is prohibited. The prior written approval of the Managing Director is required about:

- gifts and hospitality in the public sector; and
- making charitable contributions or political donations in connection with dealings with a public official.

In addition, many public officials have their own rules regarding the acceptance of gifts and hospitality, etc and we must respect these rules where applicable.

Compliance with this policy

Training will be provided to relevant Personnel throughout RAA ELITES SACCO to support them in complying with their responsibilities. All Personnel may be required to confirm that they have understood and complied with the Policy annually.

Whistleblowing

RAA ELITES SACCO is committed to ensuring that Personnel can speak up with confidence if they have any concerns or need to ask for help. If they suspect or observe anything that they think might be in contravention of this policy, they should report it. RAA SACCO will not tolerate retaliation in any form against anyone for raising concerns or reporting what they genuinely believe to be improper, unethical, or inappropriate behavior. All reports will be treated confidentially.

DECLARATION

I certify that I have read and understood the **RAA ELITES SACCO Anti-Bribery and Corruption Policy** and do hereby undertake to comply with it in everything I do for and on behalf of RAA ELITES SACCO Limited and its subsidiaries.

Name:

Category: Director / Employee / Agent / Consultant (*Delete as applicable)

Signature:

Date: