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**JCM CAPITAL ANTI-BRIBERY AND  
CORRUPTION (“ABC”) POLICY**

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# **1 POLICY STATEMENT**

## **1.1 Business**

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate globally, particularly in Africa, Asia and Latin America, and implementing and enforcing effective systems to counter bribery.

## **1.2 Laws**

We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate globally, particularly in Africa, Asia and Latin America. We will comply with the Corruption of Foreign Public Officials Act of Canada (“**CFPOA**”) and the United Kingdom Bribery Act 2010 (the “**Bribery Act**” and together with the CFPOA, the “**Bribery Legislation**”) and we will act in appreciation of the principles set out in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the principles set out in the United States Foreign Corrupt Practices Act of 1977, in respect of our conduct both at home and abroad.

### **Purpose**

The purpose of this ABC Policy is to:

- (a) set out our commitment to observing the standards of conduct set forth in the Bribery Legislation and other relevant anti-corruption laws and regulations. Compliance with such laws is particularly important since we may seek to do business in jurisdictions in which (i) government officials are engaged in commercial and financial activities, (ii) corruption and related problems are common, and (iii) legal standards and enforcement policies are developing, but are often unclear and inconsistently applied. In such circumstances, we will conduct special vigilance to ensure compliance with the applicable anti-corruption laws and with the Bribery Legislation in particular;
- (b) set out our commitment to our stakeholders so that we continue to grow and manage our business in an ethical and principled manner;
- (c) set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and
- (d) provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.

## **1.3 Legal Responsibilities**

Under the Bribery Legislation, bribery and corruption are punishable for individuals by up to 14 years' imprisonment and if we are found to have taken part in corruption we could face potentially unlimited fines and be excluded from tendering for public contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously.

#### **1.4 Risks**

(a) We have identified that the following are particular risks for our business:

(i) our business activities take place in emerging markets globally, particularly in Africa, Asia and Latin America where the perceived risk of corruption is relatively high;

(ii) we are active in the renewable energy sector where the risk of bribery exists;

(iii) in these markets and sectors, we and our workers and our consultants regularly deal with:

A members of government, governmental institutions and other public sector bodies in carrying out our business; and

B other third parties such as investors, developers, contractors and operators,

which gives rise to the risk of exposure to corruption and bribery and those third parties that may partake in these activities.

(iv) we frequently co-invest with joint venture partners and are committed to ensuring that they understand and respect this ABC Policy and that they have their own ABC procedures in place.

(b) To address those risks we have taken the following steps:

(i) Put in place this ABC Policy;

(ii) Appointed an Anti-corruption Officer to:

A whom our workers and directors can report any known or suspected bribery in confidence;

B oversee the training programme referred to below;

C oversee the monitoring and review of our procedures for bribery prevention;

- (iii) Made this ABC Policy available to all of our workers by maintaining a current copy of the ABC Policy on JCM Capital's internal network, in a specified location for employees and ensuring consultants have a current copy in their possession via email;
- (iv) Defined due diligence procedures in respect of any transactions that we or our affiliates propose to enter into and any counterparts to such transactions designed to identify and mitigate any bribery risks;
- (v) Implemented a training programme through which each of our workers is informed, on an ongoing basis, of the requirements of this policy. Every worker shall be required to confirm during the first month of their employment (or, if later, once the ABC Policy is launched) and upon each update to the ABC Policy that they have read and understood the current version of the ABC Policy by executing Schedule 6.

## **1.5 Third Parties**

In this ABC Policy, “**third party**” means any individual or organisation JCM comes into contact with during the course of our work, and includes actual and potential joint venture partners, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, and with respect to the latter, including their advisors, representatives and officials, elected members and political parties. For the purposes of this ABC Policy, ‘third party’ shall not include ‘workers’, as such term is further described in Section 2 hereto.

## **2 WHO IS COVERED BY THE POLICY?**

This ABC Policy applies directly to all individuals that are employed by JCM, are directly providing services in a consulting capacity to JCM whether in their personal capacity or a wholly-owned legal entity, or are an officer of JCM, (collectively referred to as “**workers**” in this ABC Policy). Workers will be required to read and execute Schedule 6 of this Policy and complete an ABC training course. Parts of the ABC Policy also apply to directors and JCM directors will be required to read and execute Schedule 7 of this Policy.

JCM will use commercially reasonable efforts to ensure third parties also adhere to this ABC Policy, and/or have an internal ABC policy in place that meets or exceeds the standards set out in this ABC Policy.

## **3 COMMITMENT TO STAKEHOLDERS**

### **3.1 Standards**

We will act in a principled manner as we continue to grow and manage our business. We place the highest priority on respecting the rights of our workers, the people with whom we work and those that are affected by the development of our renewable energy projects (each a “**Project**”), wherever

we operate globally, particularly in Africa, Asia and Latin America. We will consistently apply these standards in our dealings with them.

### **3.2 Workers**

We employ a talented and diverse workforce. We treat our workers fairly and our employment terms, policies and leadership practices reflect our business values. We will communicate in an open and honest manner subject to legal and competitive constraints. We will give reasonable notice of operational changes likely to have a major effect on workers' livelihoods. We want to be an employer of choice by creating a positive, responsible, open and challenging working environment in which ability and high quality execution is encouraged, developed, recognised and rewarded. In short, we want to provide a great work experience for all our workers.

### **3.3 Subsidiaries and Affiliates**

It is our policy to ensure that all of our subsidiary companies and our affiliates respect and comply with all applicable governmental laws, rules and regulations including when dealing with each other. Accordingly, we are dedicated to adhering to all standards and restrictions imposed by any relevant laws, rules and regulations, including those relating to accounting and auditing matters. We adhere to these standards and restrictions through maintaining a high standard of business ethics and will not seek competitive advantage through unlawful or unethical business practices.

### **3.4 Customers**

Meeting and exceeding our customers' expectations is important to us. We are committed to fair pricing and performing under our agreements with customers in good faith. We will comply with statutory and regulatory conditions requiring the even-handed treatment of all our customers.

### **3.5 Shareholders**

We are committed to operating in a sustainable manner offering good shareholder value through the effective and responsible use of resources. We will practice the highest standards of corporate governance and we seek to meet all relevant corporate governance guidelines. Our accounting statements will be accurate, timely, and independently audited (if deemed necessary). We will communicate our business policies, achievements and prospects honestly, promptly and through the normal and proper channels of communication. We will respect shareholders' requests, complaints and formal resolutions. We will deal fairly with minority shareholders and will not obstruct the legal rights of our shareholders.

### **3.6 Joint venture partners**

We will act fairly, openly and honestly with our joint venture partners and will ensure that they are aware of and respect our standards and our business policies.

### **3.7 Government/public sector**

We take seriously our obligations to comply with all applicable laws and regulations as legislated and implemented by the governments of the countries in which we operate globally, particularly in Africa, Asia and Latin America. We will not engage in unfair or illegal business conduct and meeting and exceeding the expectations of any government, governmental body or public authority is of critical importance to us. We may be actively involved in local and national affairs in the countries in which we operate globally, particularly in Africa, Asia and Latin America; however we prohibit any lobbying or active involvement in any political activity or in connection with a public official or government affiliated organisation that is either improper or illegal.

### **3.8 Suppliers**

We will deal fairly with our suppliers and will work to develop relationships with them based on honesty, fairness and mutual trust. We will settle bills in a timely manner and work with suppliers to ensure that no bribery or excess gifts/hospitality are solicited, accepted or given. We also require that our contractors and suppliers have business values that do not conflict with our own business values. We will endeavour to ensure that our suppliers respect the law and that their reputation does not endanger our own.

### **3.9 Competitors and Regulators**

We take seriously our obligations to comply with all applicable laws and regulations relating to competition in the countries in which we operate globally, particularly in Africa, Asia and Latin America. We will not engage in unfair or anti-competitive business conduct. We will respect the property rights of others, including those regarding intellectual property and will not acquire commercial information by dishonest or unethical means. We will comply with regulatory conditions in the countries in which we operate globally, particularly in Africa, Asia and Latin America and will cooperate and act honestly and transparently in all our dealings with regulators in the countries in which we operate globally, particularly in Africa, Asia and Latin America, including, without limitation, competition, anti-corruption/bribery and anti-money laundering/terrorist financing regulators.

### **3.10 The Wider Community**

We are committed to developing and maintaining good relations with the local communities in the countries in which we operate globally, particularly in Africa, Asia and Latin America, based on openness, honesty and compliance with laws and regulations of those countries together with the need to recognise and address the impact of our operations. In particular, we take seriously our responsibility to protect and preserve the environment and we will comply with all applicable laws and regulations relating to environment protection in the countries in which we operate globally, particularly in Africa, Asia and Latin America. We will communicate and consult with communities affected by the environmental, health or safety impacts of our operations. We will cooperate with public authorities to address risks to public health and



safety which result from our business activities. We will be involved in local affairs as may be appropriate and will encourage and facilitate our workers, officers and directors to be responsible with their local community. However, we prohibit involvement in political activities or forms of lobbying that are improper or illegal. We follow ethical practices in our support of charities and local communities. We will comply with our taxation obligations.

## **4 COMPLIANCE MANAGER**

### **4.1 Appointment**

Martin Ritchie, Chief Compliance Officer for JCM Corporate, Pascal Brancart, Director of Africa for JCM operations in Africa and Jose Miguel Nieto, Director of LATAM for JCM operations in Central & South America (each a “**Compliance Manager**” and together the “**Compliance Managers**”) shall be appointed to oversee the monitoring and implementation of, and adherence to, this ABC Policy.

### **4.2 Responsibilities of Compliance Manager**

The Compliance Managers shall:

- (a) be sufficiently senior so as to emphasize the seriousness that we attach to compliance with this ABC Policy;
- (b) report directly to the Chief Executive Officer (the “**CEO**”) and the Compliance Committee;
- (c) shall have access to our directors if he/she deems it essential to his/her oversight responsibilities;
- (d) ensure that all personnel are aware of this ABC Policy and familiar with the content and substance of all ethical business standards and that relevant personnel requiring any specific training shall receive training in accordance with their needs within their first month with JCM and on an ongoing basis via periodic communications from the CCO and Compliance Managers;
- (e) investigate, or oversee the investigation, of any allegation concerning possible violation of the laws of any country in which we operate globally, particularly in Africa, Asia and Latin America, or the laws of any other jurisdiction as may apply to a Project;
- (f) advise and provide guidance and interpretation to all workers with respect to the requirements of this ABC Policy and with respect to any activities which may have implications to this ABC Policy or applicable laws;
- (g) where necessary, report wrongdoing to the relevant authorities in conjunction and in consultation with senior management;

- (h) report on an annual basis to the CEO and the Compliance Committee regarding any action taken under this ABC Policy, and recommend any revision or expansion of this ABC Policy;
- (i) if he or she deems appropriate, instruct relevant advisers and/or experts in the relevant field, or request the relevant authorities, to assist in advising us of the appropriate procedure to follow in the event that any issues of fraud, bribery, money laundering or corruption arise in connection with our business; and
- (j) ensure that the role of the Compliance Managers is fulfilled through a proactive (and not reactive) approach in connection with our business.

## **5 BRIBERY**

### **5.1 What is Bribery?**

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. The advantage can result from any action or omission from the corrupted person. Bribes can take many forms, including but not limited to the offer or acceptance of direct or indirect payments, services, gifts, sponsorships, preferential treatment or facilitation payments.

### **5.2 General**

All workers and directors must adhere to the highest levels of honesty, integrity and ethics at all times when conducting our business. This includes workers performing their normal job responsibilities. We have a zero-tolerance policy towards any kind of fraudulent or corrupt business practice. Responsibility for controlling the risk of fraud rests with all of our workers. Workers are expected to report directly to one or all of the Compliance Manager(s) all known or suspected instances of bribery, fraud, whether committed by an worker against us or against an entity doing business with us, or by an outside party against us. Failure to comply with the requirements of this ABC Policy or any laws or regulations may result in disciplinary action, including termination of employment.

### **5.3 Bribery Legislation**

- (a) It is recognised that applicable Bribery Legislation currently prohibits any of our workers, or any agents, consultants, contractors and anyone else acting on our behalf from:
  - (i) Offering or giving a financial or other advantage to a person:
    - A intending to induce them, or another, improperly to perform a public function or business activity, or as a reward for the same; or

- B knowing or believing the acceptance would in itself constitute improper performance.
  - (ii) Requesting or accepting an advantage:
    - A intending personally or through another, improperly to perform a public function or business activity, or as a reward for the same;
    - B when the request or acceptance would itself constitute an improper performance of a public function or business activity; or
    - C improperly performing such a function or activity in anticipation of receiving such an advantage.
  - (iii) Offering or giving to (or with the assent of) a foreign public official or civil servant any advantage, intending to induce them in their capacity as a foreign public official or civil servant so as to obtain or retain business or a business advantage.
  - (iv) Any attempt to any of the above.
- (b) The Bribery Act in particular holds that a company commits an offence where a person associated with that company (e.g. an employee, agent, subsidiary, any person or incorporated or unincorporated body performing services on its behalf) bribes another person to obtain or retain business, or a business advantage, for that company, unless adequate procedures were in place designed to prevent the bribery. The UK Government considers that the procedures put in place by commercial organisations to prevent bribery should be informed by 6 principles which are set out in Section 5.4 (*Six Principles*) below.
- (c) The Bribery Act also creates an offence of bribery of a foreign public official where a person offers, promises or gives a financial or other advantage to a foreign public official with the intention of influencing the official in the performance of his or her official functions. The offence is not committed where the official is permitted or required by the applicable written law to be influenced by the advantage.
- (d) As outlined in Section 7 (*Facilitation Payments and Kickbacks*), we acknowledge that facilitation payments made to expedite the performance of routine administrative functions are illegal and that we do not in any way condone the making of such payments.
- (e) It is also recognised that money laundering and terrorist financing are serious threats to society, losing revenue and endangering life, and fuelling other criminal activity. We will act with integrity and uphold the law and will not engage nor be a counterpart to any such criminal activity.

#### **5.4 Six Principles**

The UK Government considers (and we agree) that the procedures put in place by commercial organisations to prevent bribery should be informed by the following six principles:

(a) Proportionate Procedures

A commercial organisation's procedures to prevent bribery by persons associated with it are proportionate to the bribery risks it faces and to the nature, scale and complexity of the commercial organisation's activities. They need to be clear, practical, accessible, effectively implemented and enforced.

(b) Top-level Commitment

The top-level management of a commercial organisation (be it a board of directors, the owners or any other equivalent body or person) must be committed to preventing bribery by persons associated with it. They should also foster a culture within the organisation in which bribery is never acceptable.

(c) Risk Assessment

The commercial organisation must assess the nature and extent of its exposure to potential external and internal risks of bribery on its behalf by persons associated with it; whether such risks be related to country, sector, transaction, business opportunity or business partnership. The necessary assessment is periodic, informed and documented.

(d) Due Diligence

The commercial organisation needs to apply due diligence procedures, taking a proportionate and risk based approach, in respect of persons who perform or will perform services for or on behalf of the organisation, in order to mitigate identified bribery risks.

(e) Communication (including training)

The commercial organisation must seek to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisation through internal and external communication, including training, which is proportionate to the risks it faces.

(f) Monitoring and review

The commercial organisation needs to monitor and review the procedures designed to prevent bribery by persons associated with it and makes improvements where necessary.

## **6 GIFTS AND HOSPITALITY**

### **6.1 Hospitality**

This ABC Policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties.

### **6.2 Requirements**

The giving or receipt of gifts is not prohibited, if the following requirements are met:

- (a) it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- (b) it complies with local law;
- (c) it is given in our name, not in your name;
- (d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- (e) it is appropriate in the circumstances. For example, in some countries it is customary for small gifts to be given at Christmas time;
- (f) taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
- (g) it is given openly, not secretly; and
- (h) gifts should not be offered to, or accepted from civil servants, government officials or representatives, or politicians or political parties, without the prior approval of a Compliance Manager.

### **6.3 Practice differs between countries**

We appreciate that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered. However, in no circumstances should cash or cash equivalents be given at any time.

## **7 FACILITATION PAYMENTS AND KICKBACKS**

- (a) We do not make, and will not accept, facilitation payments or “**kickbacks**” of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official or a civil servant.

- (b) If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with a Compliance Manager.
- (c) Kickbacks are typically payments made in return for a business favour or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

## **8 DONATIONS**

We do not make contributions to political parties. We only make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of the Compliance Managers.

## **9 WORKER RESPONSIBILITIES**

- (a) You must ensure that you read, understand and comply with this ABC Policy.
- (b) The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this ABC Policy.
- (c) You must notify a Compliance Manager as soon as possible if you believe or suspect that a conflict with this ABC Policy has occurred, or may occur in the future. For example, if a client or potential client offers you something to gain a business advantage with us, or indicates to you that a gift or payment is required to secure their business. Further “red flags” that may indicate bribery or corruption are set out in Schedule 3 (*Potential Risk Scenarios and “Red Flags”*).
- (d) Any worker who breaches this ABC Policy will face disciplinary action, which could result in dismissal. We reserve our right to terminate our contractual relationship with other workers if they breach this ABC Policy.

## **10 RECORD-KEEPING**

### **10.1 Controls**

- (a) We shall make and keep books, records, and accounts that conform to the highest professional standards of accuracy and consistency and that, in reasonable detail, accurately and fairly reflect the company’s domestic and foreign transactions and the disposition of its assets.

- (b) All financial transactions must be properly and fairly recorded in our books of account and must be made available for inspection by the company's internal and external auditors.
- (c) Neither we nor any of our workers, directors, agents or contractors shall do any of the following for the purpose of bribing a public official or civil servant in order to obtain or retain an advantage in the course of business or for the purpose of hiding a bribe, kickback, facilitation payment, or any other form of improper payment:
  - i. establish or maintain accounts which do not appear in any of the books and records that they are required to keep in accordance with applicable accounting and auditing standards;
  - ii. make transactions that are not recorded in those books and records or that are inadequately identified in them;
  - iii. record non-existent expenditures in those books and records;
  - iv. enter liabilities with incorrect identification of their object in those books and records;
  - v. knowingly use false documents; or
  - vi. intentionally destroy accounting books and records earlier than permitted by law.
- (d) We shall devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that transactions are executed in accordance with management's general or specific authorisation and that access to assets is permitted only in accordance with management's general or specific authorisation.
- (e) These requirements are applicable to all joint ventures which we control in fact or in which our ownership interest is 50% or more.
- (f) If a worker has any doubt regarding how to act according to these principles when they are involved in the making and keeping of our records and accounts, they must consult a Compliance Manager.

## **10.2 Written Record**

Workers must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review. All such records are to be submitted to a Compliance Manager on an annual basis or more frequently if requested by a Compliance Manager who shall retain them in our central data base in accordance with all relevant record management regulations.

## **10.3 Expenses**

You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.

## **11 HOW TO RAISE A CONCERN**

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with a Compliance Manager.

## **12 WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION**

It is important that you tell a Compliance Manager as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

## **13 PROTECTION**

### **13.1 Protection**

Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this ABC Policy, even if they turn out to be mistaken.

### **13.2 No Detrimental Treatment**

We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform a Compliance Manager immediately. If the matter is not remedied, and you are a worker, you should raise it formally using our formal internal grievance procedure.

## **14 TRAINING AND COMMUNICATION**

### **14.1 Training**

Training on this ABC Policy forms part of the induction process for all new workers. All existing workers will receive, at least annually, relevant training on how to implement and adhere to this Policy.

### **14.2 Communication**



Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

## **15 WHO IS RESPONSIBLE FOR THE POLICY?**

### **15.1 Board**

The board of directors has responsibility for approving this ABC Policy and for ensuring that management has an effective ABC compliance program in place to ensure that JCM is in full compliance with the Policy.

### **15.2 Compliance Manager**

The Compliance Managers have primary and day-to-day responsibility for implementing this ABC Policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this ABC Policy and are given adequate and regular training on it.

## **16 MONITORING AND REVIEW**

### **16.1 Effectiveness and Implementation of Policy**

The Compliance Managers will monitor the effectiveness and review the implementation of this ABC Policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

### **16.2 Success of Policy**

All workers are responsible for the success of this ABC Policy and should ensure they use it to disclose any suspected danger or wrongdoing.

### **16.3 Improvement of Policy**

Workers are invited to comment on this ABC Policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Compliance Managers.

### **16.4 Regular Review**

- (a) This ABC Policy and all ethical and compliance matters contained herein shall be kept under regular review and evolve with any recently enacted or proposed regulation or legislation. It does not form part of any worker's contract of employment and it may be amended at any time.

- (b) The resources to be made available to the Compliance Managers should also be approached in the same way, so that annual enquiries should be made as to the availability of appropriate training for the role in compliance matters and techniques. Accordingly, it is intended that this ABC Policy be amended and updated in accordance with any recent developments or proposed developments that relate to any standards of ethical business conduct in the corporate environment in any country in which we operate globally, particularly in Africa, Asia and Latin America, and internationally.

## **SCHEDULE 1**

### **Definitions**

#### 1 Definitions

“**Bribery Legislation**” means collectively the Corruption of Foreign Public Officials Act of Canada and the United Kingdom Bribery Act 2010.

“**CFPOA**” means the Corruption of Foreign Public Officials Act of Canada.

“**Compliance Manager**” has the meaning given to that term in Section 3.1 (*Appointment*) of this Policy

“**Compliance Manager**” has the meaning given to that term in Paragraph 3.1 (*Appointment*) of this ABC Policy, and the term “**Compliance Managers**” shall be construed accordingly.

“**kickbacks**” has the meaning given to that term in Section 7 (*Facilitation Payments and Kickbacks*) of this ABC Policy

“**OECD**” means the Organisation for Economic Co-operation and Development.

“**Project**” has the meaning given to that term in Section 2.1 (*Standards*) of this ABC Policy

“**workers**” has the meaning given to that term in Section 4 (*Who is covered by the policy?*) of this ABC Policy

“**Bribery Act**” means the United Kingdom Bribery Act of 2010

## **SCHEDULE 2**

### **Examples of Bribery**

#### 1 Examples of Bribery

##### 1.1 Offering a bribe

- (a) You offer a potential client tickets to a major sporting event, but only if they agree to do business with us.
- (b) This would be an offence under English law as you are making the offer to gain a commercial and contractual advantage. It is an offence under Canadian law if the client was a foreign public official. We may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept your offer.

##### 1.2 Receiving a bribe

- (a) A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business with them.
- (b) It is an offence for a supplier under English law to make such an offer. It is an offence under Canadian law if the client was a foreign public official. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

##### 1.3 Bribing a public official

- (a) You arrange for the business to pay an additional payment to a public official to speed up an administrative process.
- (b) The offence under English law of bribing a public official has been committed as soon as the offer is made. This is because it is made to gain a business advantage for us. We may also be found to have committed an offence. The exemption to facilitation payments under the CFPOA will be phased out over time and this will become an offence under the CFPOA in due course.

### **SCHEDULE 3**

#### **Potential Risk Scenarios and “Red Flags”**

The following is a list of possible red flags that may arise during the course of you working for us 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.

If you encounter any of these red flags while working for us, you must report them promptly to a Compliance Manager:

- 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 foreign government officials or civil servants;
- 3 a third 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 third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- 5 a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- 6 a third party requests an unexpected additional fee or commission to “facilitate” a service;
- 7 a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- 8 a third party requests that a payment is made to “overlook” potential legal violations;
- 9 a third party requests that you provide employment or some other advantage to a friend or relative;
- 10 you receive an invoice from a third party that appears to be non-standard or customised;
- 11 a third party insists on the use of side letters or 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 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; or
- 14 you are offered an unusually generous gift or offered lavish hospitality by a third party.

## **SCHEDULE 4**

### **What is Acceptable or Not Acceptable?**

#### 1 What Is Acceptable Or Not Acceptable?

##### 1.1 Not Acceptable

It is not acceptable for you (or someone on your behalf) to:

- (a) give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- (b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure;
- (c) accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- (d) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- (e) threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this ABC Policy;
- (f) to offer any gifts and hospitality to the spouses, family members, friends and acquaintances or guests of a government official;
- (g) turn a blind eye where you suspect that acts of bribery and corruption are being undertaken by any of our workers; or
- (h) engage in any activity that might lead to a breach of this ABC Policy.

##### 1.2 Doing the Right Thing

Policies and guidance cannot cover every circumstance. We therefore provide a ‘quick test’ to help you make decisions about appropriate business conduct. Test your decision to make sure it is appropriate. If your contemplated action makes good business sense, and you can answer yes to the following ‘quick test’ questions, you can feel comfortable in proceeding:

- (a) Is the action legal?
- (b) Is it right? Is it honest? (i.e., does it not deceive or mislead?)

- (c) Is the action within the terms or the spirit of the standards outlined in this ABC Policy, our policies and our values, and those of our business partners?
- (d) Does it avoid creating a sense of obligation?
- (e) Can I justify this to my manager, Compliance Manager and to my family?
- (f) If I belong to a professional body, does it comply with its codes?
- (g) Would I feel comfortable reading about it in the press?



**SCHEDULE 5**  
**Training on ABC Policy**

A one hour meeting with the Chief Compliance Officer for a training session on the ABC Policy.

**SCHEDULE 6**  
**Confirmation of Undertaking of Compliance with Policy for Workers**

**CONFIRMATION OF WORKERS<sup>1</sup>**

Attention:        Compliance Manager  
                      Martin Ritchie, Chief Compliance Officer -  
                      JCM Capital

I confirm that I have read and understand the JCM Capital ABC Policy dated June 14, 2016 (the “**Policy**”). Accordingly, I undertake to comply with all of the standards contained in the Policy and I will carry out business in a professional and ethical manner at all times.

Date.....

Name.....

Signature.....

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<sup>1</sup> This confirmation should be signed by each new Worker of JCM. It should also be signed annually if the ABC Policy is updated/changed.

**SCHEDULE 7**  
**Confirmation of Undertaking of Compliance with Policy for Directors**

**CONFIRMATION OF DIRECTORS<sup>2</sup>**

Attention: Compliance Manager  
Martin Ritchie, Chief Compliance Officer -  
JCM Capital

I confirm that I have read and understand the JCM Capital ABC Policy dated June 14, 2016 (the “**Policy**”). Accordingly, I undertake to comply with all of the standards contained in the Policy that specifically relate to directors and I will carry out business in a professional and ethical manner at all times.

Date.....

Name.....

Signature.....

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<sup>2</sup> This confirmation should be signed by each director of JCM. It should also be signed annually if the ABC Policy is updated/changed.