



CONFIDENTIAL

Anti-Bribery, Anti-Corruption and Due Diligence Policy

Networked Elements of Security and Trust Ltd.

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and
Due Diligence Policy

Networked Elements of Security and Trust Ltd.
(NEST)

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1. Purpose

1.1 The purpose of this “Anti-Bribery, Anti-Corruption and Due Diligence” Policy is to establish controls to ensure compliance with all applicable anti-bribery and corruption regulations, and to ensure that the Company’s business is conducted in a socially responsible manner.

1.2 NEST is committed to ethical business practices, sustainability, and social responsibility. Our policy outlines the standards and expectations we have for our suppliers and vendor partners.

2. Background

2.1 Bribery is the offering, promising, giving, accepting, or soliciting of an advantage as a reward for action which is illegal or a breach of trust. This includes accepting anything of material value to gain a commercial, contractual, regulatory, or personal advantage. This is punishable offence and NEST take a zero-tolerance approach to bribery and corruption.

2.2 Due diligence is an investigation, audit or review performed to confirm facts or details of a matter under consideration. In the financial world, due diligence requires an examination of financial records before entering into a proposed transaction with another party. Depending on the size and scope of services or products needed, the procurement of vendors may also include the solicitation of bids, execution of a contract, and down payments.

2.3 We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by Peoples Republic of Bangladesh Laws, including the Anti-Corruption Act in respect of our conduct.

3. Definitions

Employees	Means employees of NEST and all workers performing duties on behalf of NEST, whether or not employed directly by NEST.
Facilitation Payments	Means payments of small amounts to Public Officials in order to secure or expedite a routine governmental action to which you are otherwise lawfully entitled (e.g. processing a visa, secure delivery of goods). Sometimes also known as "grease" payments.
Public Officials	Means individuals who: a) are defined as public officials in the national law of a state. b) hold a legislative, administrative, or judicial position of any kind whether appointed or elected. c) exercise a public function; or



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	d) are officials or agents of a public international organization. This includes employees and officers of state-owned companies.
Third Parties	Means agents any individual or organization you meet during your work for NEST, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians, and political parties, joint venture partners and any other individuals or entities providing services for or acting on behalf of NEST.

4. Who is Covered by the Code?

4.1 This code applies to all individuals working at all levels, including senior managers, officers, employees (whether permanent or temporary), consultants, contractors, trainees, interns, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as **employees** in this code). This code covers:

- Bribes.
- Gifts and hospitality.
- Facilitation payments.
- Political contributions.

4.1.1 Bribes: Employees must not engage in any form of bribery, either directly or through any third party (such as an agent or distributor). Specifically, employees must not bribe a client, or persons related to clients or business, government official anywhere in the country or world.

4.1.2 Gifts and Hospitality: Employees must not offer or give any gift or hospitality:

- which could be regarded as illegal or improper, or which violates the recipient’s policies; or
- to any public employee or government officials or representatives, or politicians or political parties; or
- which exceeds Tk. 1000 in value for each individual or event gift, unless approved by Senior Management.

Employees may not *personally* accept any gift or hospitality from any business partners. Such gifts shall be accepted and distributed fairly to all staff as per Senior Management approval.



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4.1.3 Facilitation payments: Facilitation payments are made for the purpose of expediting or facilitating the performance of a public official for a routine governmental action, and not to obtain or retain business or any improper business advantage. However, our strict policy is that facilitation payments must not be paid.

4.1.4 Political Contributions: We do not make donations, whether in cash or kind, in support of any political parties or candidates, as this can be perceived as an attempt to gain an improper business advantage. Employees may personally make political contributions provided they are not used to concealing bribery and are legal and ethical under local laws and practices.

5. Due Diligence

5.1 When a significant outlay of the company's cash resources is expected to procure services or a product, generally Tk. 50, 000 or more, due diligence should be undertaken prior to selecting a vendor or product and should be documented.

5.2 Due diligence may include but is not limited to speaking with the vendor or vendor's agent, reviewing the vendor's website, reading reviews of the vendor or product, soliciting input from the Board or other individuals with experience with the vendor or product, etc.

5.3 For service engagements, generally of Tk. 50, 000 or more, such as emergency deployment of security personnel, escort services and other services, the due diligence process should also include the solicitation of bids from multiple providers whenever possible at a minimum of every (3) years for on-going relationships.

5.4 Due Diligence and Third Parties

5.4.1 NEST may be liable for acts of bribery by Third Parties, anywhere and any level of the company. Before working with a Third Party, Employees are required to carry out due diligence and a risk assessment on the Third Party to understand the Third Party's background and reputation and to understand any bribery and corruption risks that may exist.

5.4.2 The minimum level of due diligence required to be performed and documented is:

- Perform a company search to ensure that the company is properly constituted and registered with the appropriate authority.
- Review the Third Party and potential business relationship for any red flags (please refer to 5.5 below for an explanation of red flags).
- Review the Third Party's potential business partners.
- Review the proposed project or business transaction to identify as far as possible the risk of corruption or bribery.



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- Ensure that an agreement between NEST and a Third Party is entered into which captures the business relationship and contains an anti-bribery and anti-corruption clause, including the right to audit the Third Party for compliance if required.
- Document the steps that were taken for the review of the Third Party including due diligence checks and all supporting documents. The documents will provide evidence to auditors, regulators, and NEST that a proper due diligence process has been undertaken.

5.4.3 If any red flags or other concerns arise during due diligence, you must contact the Anti-corruption Officer who will advise further, including on any additional checks to be carried out before engaging the Third Party.

5.5 **Red flags:** When conducting due diligence on Third Parties, watch out for red flag indicators for potential bribery or corruption concerns. Red flags include:

5.5.1 Referrals from Third Parties

- A Public Official recommends that NEST hire a specific third party.
- A Third-Party NEST seeks to engage lacks qualifications or staff to perform the expected services.
- A Third Party relies heavily on political or government contacts instead of technical skills or time invested.
- The same Third Party is repeatedly used for business without any reasonable justification for their repeated appointment.

5.5.2 Financial Irregularities

- The proposed compensation of a Third Party is unreasonably high compared to the market rate and there is no reasonable explanation.
- The proposed compensation arrangement is unusual (e.g. an unusually high rate of commission, or success fee arrangements contingent on the award of a contract or license).
- A Third-Party requests payment:
 - be made offshore.
 - be made to a different person or entity.
 - be split among multiple accounts.
 - be made to an account in a country other than where the Third Party is located, or business is to be performed; or
 - which are otherwise unusual financial arrangements.



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- Upon checking references, you find that the Third Party has an undesirable reputation or is not well known in the industry.
- A Third-Party NEST seeks to engage is reluctant to use a formal written contract or refuses to agree to include an anti-bribery and anti-corruption clause.
- Please note that this is a non-exhaustive list, and other instances exist which may flag potential bribery or corruption concerns. If you have any queries as to whether a Third Party should be used, you must contact the Anti-corruption, Officer.

6. Contract Execution

- Contracts, whenever possible, should be forwarded to the Executive Committee of the Board prior to execution for review and approval.
- Time sensitive contracts, where time is not available for Board review, should be reviewed by 01 (one) Director (board member) in addition to the Managing Director prior to execution.
- Contracts more than Tk. 200,000 shall be considered for review by an attorney.
- Contracts may only be signed by the Managing Director or the MD's designee.
- Contracts shall be retained by the Managing Director and the Account & Finance Division will be provided with a copy of any executed contract.
- Any required deposits to be provided to the vendor will be made via check by the Account & Finance Division.

7. Your responsibilities

- You must ensure that you read, understand, and comply with this code.
- You must notify Senior Management as soon as possible if you believe or suspect that a conflict with or breach of this code has occurred or may occur in the future.
- The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for or with us. All employees are required to avoid any activity that might lead to, or suggest, a breach of this code.
- Any employee who breaches this code will face disciplinary action, which could result in immediate dismissal for gross misconduct. We reserve our right to terminate our contractual relationship with other workers or organizations if they breach this code.



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8. Record-keeping

8.1 All accounts, invoices and other documents and records relating to dealings with third parties, such as clients, suppliers, and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

8.2 All expenses claims relating to hospitality, gifts or expenses incurred to third parties must be documented including specific details of the reason for the expenditure.

9. How to Raise a Concern

9.1 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 or concerns, these should be raised directly with Senior Management.

10. Protection

10.1 Employees 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 code, even if they turn out to be mistaken.

10.2 We are committed to ensuring no one suffers any detrimental treatment because 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.

11. What to do if You are a Victim of Bribery or Corruption

11.1 Contact with the Senior Management 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.

12. Training and Communication

12.1 Training in this code forms part of the orientation process for all new employees.

12.2 All existing employees will receive relevant training on the details of this code upon its implementation. In addition, all employees will be asked to formally accept conformance to this code during the employee annual performance review.



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12.3 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.

13. Monitoring and Review

13.1 The Human Resources Coordinator will review the implementation of this code, 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.

13.2 Employees are invited to comment on this code and suggest ways in which it might be improved. Comments, suggestions, and queries should be addressed to Human Resources or Senior Management. This document may be amended at any time.

14. Areas of Responsibility

14.1 The Managing Director, Finance Committee, Account & Finance Division are responsible for the overall implementation of this policy, processes, and prescribed controls.

14.2 On an annual basis, the Finance Committee will review this policy, revise (if necessary), and submit any material changes in the policy to the Board for review and approval.

15. Conclusion

15.1 The “Anti-Bribery, Anti-Corruption and Due Diligence” Policy is the basic guideline of the company. Concern department must follow and abide by this policy. Any confusion or queries individuals must contact the management. However, this policy may be reviewed and modified as pre the change of government rules and institutional practices.