

Anti-Bribery, Corruption and Financial Crimes

Policy

John Thompson

Next Review Date 14.02.24



This policy applies to all EcoNorth Staff / Internships / Consultants / Placements who work on behalf of the company and is reviewed annually to ensure its continuing suitability.

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	2 of 17
EcoNorth Ltd		

Anti-Bribery, Corruption and Financial Crimes Policy

1. Purpose, Scope and Users

- 1.1 It is EcoNorth's policy to conduct all our business in an honest and ethical manner. EcoNorth takes a zero-tolerance approach to bribery, corruption and financial crimes and is committed to acting professionally, fairly, transparently and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery, tax evasion, money laundering and fraud, as well as modern slavery.
- 1.2 EcoNorth will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by the laws of the UK, including the Bribery Act 2010, the Fraud Act 2006 and the Criminal Finance Act 2017 part 3, Facilitation of Tax Evasion, and of Ireland, including the Criminal Justice (Corruption Offences) Act 2018, in respect of conduct both at home and abroad.
- 1.3 The purpose of this policy is to:
 - (a) Provide information and guidance to those working for EcoNorth on how to recognise and deal with bribery, corruption and financial crimes.
 - (b) Define the responsibilities of those working for EcoNorth in observing and upholding our position on bribery, corruption and financial crimes.
 - (c) Specify the consequences of breaching this policy.
 - (d) Set out EcoNorth's procedures to identify risks of bribery, corruption and financial crimes to the company and our internal control measures implemented to mitigate those risks.
 - (e) Describe EcoNorth's reporting procedures in the event of a suspected incident of malpractice.
 - (f) Explain EcoNorth's commitment to protecting victims of bribery, corruption or financial crimes.
 - (g) Detail EcoNorth's monitoring and reviewing process.
- 1.4 This policy applies to all individuals working at all levels and grades either full time or part time, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), subcontractors, contractors, trainees, seconded staff, and agency staff, volunteers, interns, agents, sponsors, or any other person associated with EcoNorth, or any of EcoNorth's subsidiaries or their employees, wherever located.

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	3 of 17
EcoNorth Ltd		

2. Definitions

- 2.1 “EcoNorth” or “us” or “we” or “our” means EcoNorth Ltd.
- 2.2 “Associate” means a company contractor or an agent of the company, or any person who performs services for and on behalf of the company. This includes, but is not limited to, agency workers, volunteers, interns, contractors and external consultants wherever located.
- 2.3 “Third party” means any individual or organisation an employee encounters during the course of their work for EcoNorth, and includes actual and potential clients, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.
- 2.4 “Bribery” means the offering, giving, receiving or soliciting of any item of value to influence the actions of an official, or other person, in charge of a public or legal duty.
- 2.5 “Tax” means all forms of UK and Irish taxation, including but not limited to corporation tax, income tax, value added tax, stamp duty, stamp duty land tax, national insurance contributions and their non-UK equivalents.
- 2.6 “Tax evasion” means an offence of cheating HMRC or ROS by fraudulently evading UK or Irish tax. This is a criminal offence and by its nature requires an element of fraud. This means that there must be deliberate action or omission with dishonest intent.
- 2.7 “Foreign tax evasion” means evading tax in a foreign country, provided that the conduct is an offence in that country and would be a criminal offence if committed in the UK.
- 2.8 “Facilitation of tax evasion” means knowingly committing an offence or taking steps with a view to the fraudulent evasion of tax. Tax evasion facilitation is a criminal offence where it is done deliberately and dishonestly.
- 2.9 “Money laundering” means the illegal process of concealing the origins of money obtained illegally by passing it through a complex sequence of banking transfers or commercial transactions. The overall scheme of this process returns the “clean” money to the launderer in an obscure and indirect way.
- 2.10 “Fraud” means the intentional deception to secure unfair or unlawful gain, or to deprive a victim of a legal right.

3. Bribery

- 3.1 A bribe is an inducement or reward offered, promised or provided, externally or within EcoNorth, in order to gain any commercial, contractual, regulatory or personal advantage.
- 3.2 Examples of bribes.
 - (a) Offering a bribe.

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	4 of 17
EcoNorth Ltd		

An employee offers a potential client or customer tickets to a major sporting event, but only if they agree to do business with EcoNorth.

This would be an offence by the employee as s/he is making the offer to gain a commercial and contractual advantage. EcoNorth may also be found to have committed an offence because the offer has been made to obtain business. Additionally, it may be an offence for the potential client to accept the offer.

(b) Receiving a bribe.

A supplier gives an employee's nephew a job but makes it clear that in return the employee is expected to use their influence in EcoNorth to ensure they continue to do business with them.

It is an offence for a supplier to make such an offer. It would be an offence for an employee to accept the offer as they would be doing so to gain a personal advantage.

3.3 Donations, gifts and hospitality.

(a) The giving or receipt of normal and appropriate gifts and hospitality to third parties is not prohibited, if the following requirements are met:

- 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.
- It complies with local law.
- It is given in EcoNorth's name, not in the employee's name.
- It does not include cash or a cash equivalent (such as gift certificates or vouchers).
- It is appropriate in the circumstances eg in the UK it is customary for small gifts to be given at Christmas time.
- Taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time.
- It is given openly, not secretly.
- Gifts over £50 and hospitality over £100 are declared in EcoNorth's Register of Gifts (gifts under £50 and hospitality under £100 do not need to be declared).

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	5 of 17
EcoNorth Ltd		

- (b) Gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Compliance Officer.
- (c) EcoNorth appreciates 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.

3.4 What is not acceptable?

- (a) It is not acceptable for an employee (or someone on their behalf) to:
 - Give, promise to give, or offer a donation, gift or hospitality with the expectation or hope that a business or personal advantage will be received, or to reward a business or personal advantage already given.
 - 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.
 - Accept payment from a third party that an employee knows or suspects is offered with the expectation that it will obtain a business or personal advantage for them.
 - Accept a gift or hospitality from a third party if the employee knows or suspects that it is offered or provided with an expectation that a business or personal advantage will be provided by EcoNorth in return.
 - Threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy.
 - Engage in any activity that might lead to a breach of this policy.

3.5 Procurement.

- (a) EcoNorth aims to obtain overall best value for money from appropriate and professional relationships with suppliers of goods and services. All purchasing must meet genuine business needs and utilise company resources in the most ethical and cost effective manner, in line with our Ethical and Environmental Procurement Policy.

4. Tax Evasion

- 4.1 Tax evasion entails taxpayers deliberately misrepresenting the true state of their affairs to the tax authorities to reduce their tax liability and includes dishonest tax reporting, such as

Anti-Bribery, Corruption and Financial Crimes Policy EcoNorth Ltd	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	6 of 17

declaring less income, profits or gains than the amounts actually earned, or overstating deductions.

4.2 The best defence EcoNorth has against tax evasion and the facilitation of tax evasion is the vigilance of our employees and associates. They must be aware that there is not a complete list of tax evasion opportunities but should be mindful of the following circumstances:

- (a) If there is anything unusual about the manner in which an employee, associate or third party is conducting their business with the company.
- (b) If an employee, associate or third party refuses to provide the personal or company details that would be necessary to allow us to carry out our business as usual.
- (c) If an employee, associate or third party refuses to provide us with their tax details.
- (d) If an employee, associate or third party asks us to deviate from our usual invoicing policy.
- (e) If an employee, associate or third party requests to be paid in cash or pay us in cash without proper records.

4.3 What is not acceptable?

- (a) It is not acceptable for an employee (or someone on their behalf) to:
 - Knowingly engage in any form of facilitating tax evasion or foreign tax evasion or aid or abet a tax evasion offence or foreign tax evasion offence by another person.
 - Engage in any activity which may lead to a breach of this policy.

5. Money Laundering

5.1 The money laundering process involves these three basic steps:

- (a) Placement - Physically placing illegal cash in banks or purchasing goods with it, such as art, precious metals, real estate, gems or jewellery.
- (b) Layering - The act of separating the proceeds from their criminal origins through complex moves such as wire transfers, conversion of cash to financial instruments, sale of high value goods such as art and precious metals, and real estate investments.
- (c) Integration - Making the wealth derived from the illicit proceeds appear legitimate. Using funds on deposit in foreign financial institutions as security for domestic loans is a favourite technique. Another ploy is over billing or producing false invoices for goods allegedly sold across borders.

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	7 of 17
EcoNorth Ltd		

5.2 The use of money laundering to allow illegal money to be run through legitimate and sometimes unsuspecting businesses has grown in recent years due to advances in technology, such as cybercash, ebanking and wire transfers. The sheer volume of transactions (legal and otherwise) makes scrutiny a huge challenge for the financial industry and regulators. Furthermore, it is often difficult to determine which country's banking laws has jurisdiction over cross-border transactions. The internet, offshore banks and shell companies provide a perfect environment for layering.

5.3 Small companies are often used to launder cash, particularly those kinds of businesses that normally receive large amounts of cash. Fortunately, EcoNorth does not make or receive cash payments which reduces the probability of the company being targeted.

6. Fraud

6.1 The types of fraud that EcoNorth needs to be aware of are theft, financial statement fraud and asset misuse. Theft, which makes up the majority of this activity, is usually done by employees either by directly stealing cash and other property or by claiming bogus expenses. The other primary types of fraud involve employees benefiting personally from violating their relationship with their employer.

6.2 As a small company, EcoNorth is at a greater risk of fraud than a larger organisation for many reasons, including workers performing many functions across the company, the close relationships between workers that leads to less scrutiny, less expertise on financial matters and the large impact on cashflow that even a comparatively small fraud event can have on the health of the company.

7. Responsibilities

7.1 Board Members

- (a) The Board of Directors has overall responsibility for ensuring this policy complies with EcoNorth's legal and ethical obligations and that the company's strategy and anti-bribery, corruption and financial crimes policy are aligned.
- (b) The Board is also responsible for exercising reasonable oversight over the implementation of the company's anti-bribery, corruption and financial crimes policy and procedures by the Compliance Officer and other Senior Managers and its effectiveness, and periodically receiving and reviewing information about the content and operation of the company's anti-bribery and corruption measures.

7.2 Compliance Officer

- (a) The Compliance Officer has primary and day-to-day responsibility for implementing this policy, for monitoring its use and effectiveness and for dealing with any queries on its interpretation.

Anti-Bribery, Corruption and Financial Crimes Policy EcoNorth Ltd	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	8 of 17

- (b) The Compliance Officer is also responsible for periodically reporting on EcoNorth's anti-bribery, corruption and financial crimes measures to the Board.

7.3 Senior Managers

- (a) Senior Managers are responsible for ensuring they and those reporting to them are aware of and understand this policy and adhere to it and, where relevant, have adequate training on it.

7.4 Employees

- (a) All employees must ensure that they read, understand and comply with this policy.
- (b) The prevention, detection and reporting of bribery, corruption and financial crimes are the responsibility of all those working for EcoNorth or under its control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- (c) Employees must notify the Compliance Officer as soon as possible if they believe or suspect that a conflict with this policy has occurred or may occur in the future. 'Red flags' that may indicate bribery, corruption or financial crimes are set out in Appendix A to this policy.
- (d) Employees are required to cooperate fully in any internal investigation of bribery, corruption or financial crimes. Any employee who fails to cooperate, or deliberately impedes, an investigation may be subject to disciplinary procedures.

8. Non-compliance

- 8.1 Bribery, corruption and financial crimes are punishable for individuals by up to ten years' imprisonment and an unlimited fine. If EcoNorth is found to have taken part in bribery, corruption or financial crimes, the company could face an unlimited fine, be excluded from tendering for public contracts and face damage to our reputation.
- 8.2 EcoNorth considers a breach of this policy to be a serious offence. Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. EcoNorth reserves its right to terminate our contractual relationship with any employees, associates or third parties if they breach this policy.

9. Prevention of bribery and corruption

9.1 Risk assessment

- (a) EcoNorth conducts risk assessments to identify the risks of bribery, corruption and financial crimes which we may reasonably anticipate, then analyses, assesses and prioritises the identified risks and, finally, evaluates the suitability and effectiveness

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	9 of 17
EcoNorth Ltd		

of the company's existing internal control measures to mitigate these risks. These risk assessments also assess the company's overall risk level (low, medium, high).

- (b) A risk assessment is normally carried out on an annual basis, however, an additional risk assessment will be carried out in the event of a significant change to the structure or activities of EcoNorth.
- (c) The criteria for determining EcoNorth's level of bribery, corruption and financial crimes risk takes into account the following:
 - The nature of the bribery, corruption and financial crimes risk.
 - The likelihood of bribery, corruption and financial crimes occurring.
 - The size and structure of EcoNorth.
 - The locations and sectors within which EcoNorth operates or anticipates operating.
 - The nature, scale and complexity of EcoNorth's activities and operations.
 - The type of existing and potential associates and third parties that EcoNorth works with.
 - The nature and frequency of EcoNorth's interactions with domestic or foreign public officials who can pose a risk (eg public officials responsible for issuing permits), the statutory, regulatory, contractual and professional obligations and duties applicable to EcoNorth (eg the limitation of entertainment of public officials).
 - The magnitude of the consequences should it occur.
- (d) The level of risk identified by the risk assessment determines the level and nature of internal control measures required by EcoNorth. These will be reviewed periodically and changes implemented accordingly.

9.2 Recruitment and training

- (a) EcoNorth ensures that it recruits individuals who are committed to and understand EcoNorth's values, aims and objectives. Background checks on new employees are conducted eg references are requested and reviewed and educational and training certificates are verified, to ensure they hold the appropriate level and experience and training for their new role. EcoNorth holds a skills matrix and training database which are kept up to date and reviewed on an annual basis as a minimum.
- (b) Training on this policy forms part of the induction process for all new employees and associates. All existing employees will receive appropriate training on how to

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	10 of 17
EcoNorth Ltd		

implement and adhere to this policy. The policy or any revisions will be circulated to all employees and associates as a minimum on an annual basis.

9.3 Conflicts of interest

- (a) Employees whose private interests may (or may be perceived to) conflict with their official duties must declare their interest eg a Senior Manager having a personal financial interest in a competitor's business. Any undeclared conflicts of interest will be dealt with under the EcoNorth's disciplinary procedures, as detailed in the Staff Handbook.

9.4 Associates and third parties

- (a) EcoNorth understands that, in accordance with the relevant legislation, we are liable if a person "associated" with us is involved in bribing a third party with the intention of obtaining or retaining business or a business advantage. EcoNorth's zero-tolerance approach to bribery, corruption and financial crimes must be communicated to all associates and third parties at any appropriate stages in all business dealings.
- (b) EcoNorth will ensure that only approved associates and third parties will be engaged. Due diligence must be carried out on all associates and third parties in the form of an individual risk assessment, with safeguards put in place to mitigate any identified risks.
- (c) Where due diligence is conducted and it is established that the bribery, corruption and financial crimes risks can not be mitigated by existing internal control measures, EcoNorth will either:
 - Implement additional or enhanced internal control measures.
 - Take other appropriate steps eg changing the nature of the transaction, project, activity or relationship with the associate or third party.
 - In the case of a proposed new transaction, project or relationship, postpone or decline to continue.
 - In the case of an existing transaction, project or relationship, take steps appropriate to that transaction, project or relationship to terminate, suspend or withdraw from it as soon as practicable.
- (d) Where possible, the terms and conditions of all contracts with our associates and third parties will incorporate an obligation not to engage in bribery, corruption and financial crimes and the right for EcoNorth to terminate the relationship immediately if bribery or corruption is suspected.
- (e) All contracts above £100k must be reviewed and approved by EcoNorth's Board.

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	11 of 17
EcoNorth Ltd		

- (f) Purchase orders for the provision of goods and services must be annexed with appropriate supporting documentation and authorised as follows:
- Up to £500, one Senior Manager must approve.
 - £500 to £15,000, two Senior Managers must approve, ideally the Finance Manager and Executive Director.
 - Above £15,000, approval from one Board member is required. These payments are often taken out of formally agreed budgets eg for equipment or IT purchases.
- (g) Invoices from suppliers will only be approved for payment once the services provided are deemed to be properly carried out.
- (h) Client invoices must be approved by a Senior Manager and must include appropriate supporting documentation.
- (i) EcoNorth's anti-bribery, corruption and financial crimes policy is uploaded to the company's websites, providing easy access for all the company's associates and third parties.

9.5 Donations

- (a) EcoNorth does not make contributions to politicians, political parties or political campaigns. It will only make charitable donations that are legal and ethical under local laws and practices as well as within Charity Commission guidelines. No donation must be offered or made without the prior approval of the Compliance Officer. EcoNorth does not accept donations.

9.6 Access to cash, corporate credit cards and bank accounts

- (a) Petty cash held on EcoNorth's premises is limited to £100. The cash is held in a locked safe in the office which can only be accessed by core employees.
- (b) EcoNorth's corporate credit cards are kept in a locked safe in the office; they must be signed out when removed from the safe then returned to the safe and signed in as soon as possible after being used.
- (c) Access to EcoNorth's bank accounts is restricted to the Executive Director, Finance Manager and PA/Administrator of EcoNorth, and the Director of Finance and Finance Manager of Northumberland Wildlife Trust (EcoNorth's parent company). Only EcoNorth's Executive Director and NWT's Finance Manager can approve payments, which have been prepared by EcoNorth's Finance Manager or PA/Administrator, and make changes.

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	12 of 17
EcoNorth Ltd		

9.7 Accounting duties

(a) Accounting duties are segregated as follows:

Executive Director	Finance Manager	PA/Administrator
• Authorising bank payments and making changes. • Reviewing and authorising monthly timesheets.	• Posting and reconciling bank transactions. • Reviewing and authorising expense claims. • Posting purchase invoices and generating payments. • Allocating customer receipts. • Reviewing aged debt on a weekly basis. • Completing VAT returns. • Processing of monthly journals and adjustment and full month end and year end process.	• Reconciling and inputting monthly expense claims. • Reconciling and inputting monthly timesheets. • Reconciling and inputting monthly credit card transactions. • Raising sales invoices based on invoice requests received. • Inputting new customers and suppliers. • Inputting purchase order data. • Administering projects, creating new projects and changing project status. • Accessing online banking portal as emergency back up where the ED and FM are unavailable to do so.

9.8 Record keeping

- (a) EcoNorth keeps financial records and has appropriate internal controls in place which will evidence the business reason for making payments to third parties. Internal controls revolve around the purchase order process (to ensure all purchases are for legitimate purposes), the Expenses Policy and authorisation process, and the bank payment process.
- (b) Employees must declare and keep a written record of all gifts or hospitality accepted or offered, via EcoNorth's Register of Gifts, which will be subject to managerial review.
- (c) Employees must ensure all expense claims relating to gifts, hospitality or expenses incurred to third parties are submitted in accordance with EcoNorth's Expenses

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	13 of 17
EcoNorth Ltd		

Policy and specifically record the reason for the expenditure. Expenses claims undergo rigorous scrutiny by at least two employees.

- (d) All accounts, invoices, memoranda and other documents and records relating to dealings with third parties should be prepared and maintained with strict accuracy and completeness. No accounts must be kept 'off-book' to facilitate or conceal improper payments.

9.9 Audit process

- (a) EcoNorth undergoes a full annual financial audit, conducted by UNW Accountants Ltd, to provide independent assurance that the Board has, in its financial statements, presented a true and fair view of the company's financial performance and position.

10. Reporting procedures

10.1 Reporting a suspected incident

- (a) Employees are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage. If an employee is unsure whether a particular act constitutes bribery, corruption or financial crimes, or has any other queries, these should be raised with the Compliance Officer.
- (b) EcoNorth's Whistleblowing Policy, in the Staff Handbook, should also be consulted. In this policy, "whistleblowing" means the reporting by employees of suspected misconduct, illegal acts or failure to act within EcoNorth. The wrongdoing being disclosed must be in the public interest which means it must affect others eg the general public.
- (c) All incidents of potential or suspected bribery, corruption and financial crimes will be formally recorded and investigated as necessary.

10.2 Investigating and dealing with any allegation of potential or suspected bribery or corruption

- (a) Upon receipt of an allegation, the Compliance Officer will undertake a preliminary investigation. The findings of this investigation will be presented to the Executive Director in order to decide if a full internal investigation is feasible and likely to provide a reasonable suspicion that an individual or group has committed an act of bribery, corruption and financial crimes.
- (b) If it is decided that a full internal investigation should take place, this will be conducted by the Compliance Officer and Executive Officer, with support from any relevant parties such as the IT Consultant. The objectives of the investigation should be to:

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	14 of 17
EcoNorth Ltd		

- Confirm whether or not a bribe, act of corruption or financial crime has taken place and to identify who was responsible.
 - Confirm whether internal controls measures to prevent bribery, corruption and financial crimes have worked in practice.
 - Identify any improvements required to internal control measures to prevent bribery, corruption and financial crimes.
- (c) The Compliance Manager should, at the earliest opportunity during the investigation process, take all appropriate steps to ensure that all relevant assets, accounting records and other evidence are safeguarded so the integrity of the investigation is not in any way compromised.
- (d) A decision to formally report a suspicion of bribery, corruption and financial crimes to an appropriate authority (such as the UK's National Fraud and Cyber Crime Reporting Centre by telephone on 0300 123 2040 or by using their online reporting tool at (http://www.actionfraud.police.uk/report_fraud) will be made by the Executive Director. At this point, the authorities will determine whether, or how, the internal investigation should continue.
- (e) Where there is potential for an allegation of bribery, corruption and financial crimes to cause serious reputational, financial or other damage to the company, the Executive Director will inform the Board of Directors at the earliest stage possible.
- (f) Where an allegation of bribery, corruption and financial crimes impacts on one of EcoNorth's associates or third parties, the Executive Director will inform the relevant contacts within each organisation of the investigation and support them in preventing the employee from accessing the associate or third party's premises, assets and/or IT systems.
- (g) Any investigation into suspected bribery, corruption and financial crimes will be pursued in accordance with the appropriate disciplinary procedures, as detailed in the Staff Handbook. The Human Resources Officer will be consulted where there is evidence that it may be appropriate for an employee to be suspended.
- (h) Suspended employees should be supervised at all times before leaving EcoNorth's premises. They should be allowed to collect personal property under supervision but should not be allowed to remove any items required for the investigation. Keys to the company's premises and vehicle(s) should be removed from the suspended employee. The IT Consultant should be instructed to revoke access to all relevant IT systems at the earliest appropriate opportunity.
- (i) At the conclusion of the investigation, the Executive Director will advise the Board of Directors of the findings of the investigation and will make recommendations for further actions where appropriate. Recommendations will include actions for

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	15 of 17
EcoNorth Ltd		

strengthening controls in order to reduce the likelihood of a reoccurrence of the incident.

- (j) Any variation from the approved procedure above, together with reasons for these variations, should be reported to EcoNorth's Board of Directors, eg if the person suspected of bribery or corruption is the Finance Manager (who also performs the role of Compliance Officer).
- (k) All of the investigation findings and actions taken must be documented and filed.

10.3 Recovery of losses

- (a) Recovering losses is a major objective of a fraud investigation. The amount of any loss should be quantified and repayment of the losses should be sought in all cases. Where the loss is substantial, legal advice should be obtained without delay about the need to freeze the suspect's assets through the courts, pending conclusion of the investigation. Legal advice should also be obtained about the prospects for recovering losses through the civil court, where the perpetrator refuses repayment. EcoNorth should seek to cover costs in addition to losses.

11. Protection for a victim of bribery, corruption and financial crimes

- 11.1 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. EcoNorth aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.
- 11.2 EcoNorth is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery, corruption and financial crimes, 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 an employee believes that they have suffered any such treatment, they should inform the Compliance Officer immediately. If the matter is not remedied, employees should raise it formally using EcoNorth's Grievance Procedure, which can be found in the Staff Handbook.

12. Monitoring and review

- 12.1 EcoNorth aims to continually improve its anti-bribery, corruption and financial crimes policy and procedures.
- 12.2 EcoNorth will conduct an annual audit to review the effectiveness and implementation of this policy, considering its suitability and adequacy, in line with EcoNorth's internal audit programme. Any improvements identified will be implemented and any non-conformities will be controlled and rectified as soon as possible. The effectiveness of these changes will be monitored.

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	16 of 17
EcoNorth Ltd		

- 12.3 This policy and any associated procedures will be reviewed annually, or earlier if there are changes to the company or applicable legislation, and approved by the Board.
- 12.4 Employees are invited to comment on EcoNorth's anti-bribery, corruption and financial crimes policy and procedures and to suggest ways in which it might be improved, either during the annual team consultation, during regular team meetings or by using the company's suggestion box.
- 12.5 This policy does not form part of any employee's contract of employment and it may be amended at any time.



John Thompson
Executive Director
17.02.23

Anti-Bribery, Corruption and Financial Crimes Policy	Doc Ref:	ABC&FCP
	Issued:	17.02.23
	Version:	7.0
	Page:	17 of 17
EcoNorth Ltd		

Appendix A - Potential risk scenarios: 'red flags'

The following is a list of possible red flags that may arise during the course of working for EcoNorth 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 employees encounter any of these red flags while working for EcoNorth, they must report them promptly to the Compliance Officer:

- (a) an employee becomes aware that a third party engages in, or has been accused of engaging in, improper business practices;
- (b) an employee learns that a third party has a reputation for paying bribes or requiring that bribes are paid to them;
- (c) a third party insists on receiving a commission or fee payment before committing to sign up to a contract with EcoNorth or carrying out a government function or process for EcoNorth;
- (d) 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;
- (e) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (f) a third party requests an unexpected additional fee or commission to 'facilitate' a service;
- (g) a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (h) a third party requests that a payment is made to 'overlook' potential legal violations;
- (i) a third party requests that an employee provides employment or some other advantage to a friend or relative;
- (j) an employee receives an invoice from a third party that appears to be non-standard or customised;
- (k) a third party insists on the use of side letters or refuses to put terms agreed in writing;
- (l) an employee notices that EcoNorth has been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- (m) 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 EcoNorth; or
- (n) an employee is offered an unusually generous gift or offered lavish hospitality by a third party.