



## Corruption Management Policy 2021

**“Phoenix Elite Security Services™ take a zero- tolerance approach to bribery and corruption. We are committed to conducting our business in an honest and ethical manner. This policy is prepared as a way to communicate this message and to better assist those working with us and for us to uphold it.”**



For and on behalf of  
the Board of Directors



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## Corruption Management Policy

### 1. Purpose

1.1 The purpose of this policy is to:

- (a) set out Phoenix Elite Security Services™ responsibilities, and the responsibilities of those working with us and for us, in observing and upholding our position on bribery and corruption; and
- (b) provide information and guidance to those working for us on how to recognize and deal with bribery and corruption issues.

In this policy the use of the terms "we", "our" and "us" refer to Phoenix Elite Security Services™.

**It is imperative that everyone associated with our company reads, understands and acts in accordance with this policy.**

### 2. To whom does this policy apply?

This policy applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, seconded staff, housekeepers, casual workers and agency staff, agents, channel partners or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as "Workers" in this policy).

### 3. What it means to you – a brief overview

3.1 It is an offence (1) to bribe another person, (2) to be bribed, (3) to bribe a foreign public official and (4) for a company to fail to prevent bribery (18 USCS prec § 216) (Myanmar Anti-Corruption Law 2013, Pyidaungsu Hluttaw, Law No.23).

3.2 Unlimited fines and imprisonment up to 10 years can be imposed on individuals who fail to comply with the legislation. The company could face an unlimited fine and be forbidden from tendering for public contracts.

3.3 You must never offer, promise or give a financial or other advantage to any person (including a foreign public official) with the intention of inducing or rewarding improper performance by them of their duties.

3.4 You must never directly or indirectly accept or agree to receive a financial or other advantage as a reward for the improper performance of your duties. It makes no difference whether the advantage is for you or a third party.

3.5 Where your role requires this, you are permitted to give and receive hospitality (you should ask your line manager if you are unsure about this), but this should always be in a reasonable and



proportionate manner. Further guidance on this (along with gifts) is set out in this policy later on.

- 3.6 You must read this policy carefully and if you have any questions on it, please revert to your manager or the Compliance Manager (as defined in 5.2 below).

#### **4. Our principles**

- 4.1 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.
- 4.2 It is our best practice objective that those we do business with take a similar zero-tolerance approach to bribery and corruption.
- 4.3 We are bound by the laws of the USA and Myanmar, including the Bribery 18 USCS prec § 216, & Myanmar Anti-Corruption Law 2013, Pyidaungsu Hluttaw, Law No.23. in respect of our conduct both at home and abroad. We must also comply with laws relevant to countering bribery and corruption in the jurisdictions in which we operate.
- 4.4 Bribery and corruption are criminal offences and are punishable for individuals by up to ten years' imprisonment and an unlimited fine, and if the Company is found to have taken part in corruption we could face an unlimited fine, be excluded from tendering for public contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously and expect you to do the same.
- 4.5 In this policy "third party" means any individual or organization you come into contact with during the course of your work for us, and includes actual and potential customers, suppliers, distributors, business contacts, agents, advisers, government and public bodies, including their advisors, representatives and officials, politicians and political parties.
- 4.6 This policy should be read in conjunction with the relevant Employee Ethics or local employee policies.

#### **5. Responsibility for the policy?**

- 5.1 This Policy is endorsed by the management. Our board of directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.
- 5.2 For the purposes of this policy, the Compliance Manager has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness. The Compliance Manager can be contacted about this policy through management.
- 5.3 Management and senior staff at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy.



## 6. What is bribery and corruption?

Corruption is the abuse of public or private office for personal gain.

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage through “improper performance”.

“Improper performance” happens when a person fails to act (1) in good faith, (2) impartially or (3) in accordance with a position of trust.

## 7. Gifts and hospitality

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

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

- (a) You have disclosed it to your line manager in advance (where it is possible to do so, or as soon as possible afterwards);
- (b) it is not made with the intention of influencing, inducing or rewarding a third party in order to gain any advantage through improper performance, or in explicit or implicit exchange for favors or benefits;
- (c) it complies with local law;
- (d) it is given in our name, not in your name;
- (e) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- (f) it is appropriate in the circumstances. For example, in the US it is customary for small gifts to be given at Christmas time;
- (g) taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time. For example, customers are unlikely to be able to accept hospitality from us if we are participating in a tendering process with them;
- (h) it is given openly, not secretly; and
- (i) gifts and / or hospitality should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Compliance Manager.

7.3 Where it is an accepted part of your role (you should ask your line manager if you are unsure about this) you can offer and accept a reasonable amount of moderate hospitality for the purposes of business development, having regard to paragraph 7.2 above.



- 7.4 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, proportionate and justifiable. The intention behind the gift or hospitality should always be considered.
- 7.5 Subject to 7.2 above, Workers are permitted to keep small gifts with the exception of alcohol, with a monetary value of \$5 or less (or local equivalent). Any gifts which are alcohol or have a monetary value greater than \$5 (or local equivalent) may be accepted provided that they are sent to the Managing Director (if in Asia) or to the Head of the relevant Regional Office. Such gifts will be made available for inclusion in an employee raffle. Any employee who receives such a gift should thank the gift bearer and make them aware of this policy (i.e. that the gift will be included in a raffle).

## 8. What is not acceptable?

In addition to the above 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 intention of influencing, inducing or rewarding improper performance;
- (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 (where the payment is not a legitimate payment pursuant to local written law);
- (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 which will be obtained through improper performance by you or us;
- (d) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with the intention of influencing improper performance 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 policy; or
- (f) engage in any activity that might lead to a breach of this policy.

## 9. Facilitation payments

- 9.1 We do not make, and will not accept, facilitation payments or "kickbacks" of any kind.
- 9.2 Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in the US, but are common in some other jurisdictions in which we operate.



- 9.3 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 the Compliance Manager.
- 9.4 Whilst US law prohibits facilitation payments or kickbacks, you are not required to place your life or liberty at risk. Any such incidents should be reported to the compliance officer at the first available opportunity.
- 9.5 Kickbacks are typically payments made in return for a business favor 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.

## 10. Donations

We do not make contributions to political parties. We only make charitable donations that are legal and ethical under local laws and practices and that are in accordance with our Charity Policy which is in force from time to time. Requests for sponsorship should be forwarded to the Head of HR for approval in the first instance.

## 11. Your responsibilities

- 11.1 You must ensure that you read, understand and comply with this policy at all times.
- 11.2 You must be open about gifts and hospitality given or received and you must disclose these to your manager in advance (where it is possible to do so, or as soon as possible afterwards).
- 11.3 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 policy.
- 11.4 You must notify your manager or the Compliance Manager as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a customer or potential customer 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 indicators that may point towards bribery or corruption are set out in Appendix A.
- 11.5 Any employee who breaches this policy may face disciplinary action, which could result in dismissal for gross misconduct.
- 11.6 We reserve our right to terminate our contractual relationship with other Workers if they breach this policy.



## 12. Record-keeping

- 12.1 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 12.2 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our Expenses Policy which can be found on the intranet and specifically record the reason for the expenditure.
- 12.3 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as customers, 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.

## 13. How to raise a concern

- 13.1 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, these should be raised with your line manager or the Compliance Manager.

## 14. Protection

- 14.1 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 policy, even if they turn out to be mistaken.

## 15. Monitoring and review

- 15.1 The Compliance Manager will monitor the effectiveness and review the implementation of this policy, considering its suitability, adequacy and effectiveness. Improvements identified will be made as soon as possible.
- 15.2 All Workers are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.
- 15.3 Workers are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Compliance Manager.
- 15.4 Phoenix Elite Security Services™ reserves the right to vary and/or amend the terms of this policy from time to time at its absolute discretion.



## Appendix A - potential risk scenarios: bribery and corruption indicators

The following is a list of possible scenarios 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 to help you in your compliance with this policy.

If you encounter any of these scenarios while working for us, you must report them promptly to your manager or to the Compliance Manager:

- (a) you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- (b) 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;
- (c) 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;
- (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 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 you provide employment or some other advantage to a friend or relative;
- (j) you receive an invoice from a third party that appears to be non-standard or customized;
- (k) a third party refuses to put terms agreed in writing;
- (l) you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- (m) you are offered an unusually generous gift or offered lavish hospitality by a third party;
- (n) you are asked to give hospitality at which you are requested not to attend;
- (o) You are offered hospitality at which the giver is not going to be in attendance;
- (p) You are asked to give hospitality to persons who are not associated with the organization (for example family members) or are offered hospitality which extends to persons beyond our business (for example family members).