

Anti-Bribery Policy

POLICY STATEMENT

CDN is committed to the prevention of bribery by those employed and associated with it and is committed to carrying out business fairly, honestly and openly, with zero-tolerance towards bribery.

All employees have a responsibility to prevent, detect and report all instances of bribery.

PROCEDURE

CDN will:

- instigate procedures proportionate to the risk of bribery
- through the commitment of top-level management, develop a culture in which bribery is unacceptable
- Secure the commitment of all employees to the prevention and detection of bribery
- carry out a risk assessment to ascertain the risk of bribery;
- CDN will assess the nature and extent of its exposure to potential external and internal risks to bribery on its behalf by persons associated with it, including for example, consultants engaged in activities on behalf of CDN. Consultants should be operating at all times in accordance with this policy.
- Regarding external risk, the organisation should consider:
 - Country risk – high levels of corruption, lack of anti-bribery legislation and poor procurement policies
 - Sectoral risk – some sectors are higher risk than others
 - Transactional risk. Transactions giving rise to higher risk include charitable donations and public procurement transactions
 - Business Opportunity risk – associated with high value projects, projects that do not have a clear legitimate objective or have not been undertaken at market value.
 - Business partnership risk – consortia/joint venture partners, relationships with politically exposed persons
- Regarding internal risk, the organisation should have:
 - Appropriate training for staff
 - Clear financial controls
 - Clear policies and procedures for gifts and hospitality
 - Clear anti-bribery message from top-level management
 - Standard terms and conditions issued to externals informing them of the organisation's Anti-bribery policy
- Secure the commitment of all employees to the prevention and detection of bribery
- undertake due diligence procedures proportionate to the assessed risk of bribery in respect of persons who perform services for, or on behalf of CDN. For example, CDN may want to carry out due diligence on third parties such as contractors, service providers and business partners. A business contracting ICT services is likely to require low levels of due diligence but if selecting an

intermediary to assist in establishing business in foreign markets is likely to require high levels of due diligence. Due diligence checks on third parties include, but are not limited to:

- Rationale for engagement of third party
 - Evaluation of ability to deliver the service
 - Evaluation of the integrity of the third party – background checks etc
 - Financial and credit checks
- effectively communicate the anti-bribery policy to all employees
 - train all employees to recognise bribery so that they can avoid it and be alert to possible instances of bribery
 - have clear procedures on what to do should bribery be suspected
 - train all employees so that they are aware of what to do should they discover a possible instance of bribery
 - monitor and review the effectiveness of the bribery procedures and update them as necessary to ensure that they remain effective

BRIBERY DEFINED

A bribe is an inducement or reward offered, promised or provided in order to gain personal, commercial, contractual or regulatory advantage. Acts of bribery or corruption are designed to influence the individual in the performance of their duties and entice them to act dishonestly. It is a criminal offence under the Bribery Act 2010 to:

- Offer a bribe
- Receive a bribe
- Bribe a Foreign Official
- Consent or connive to the commission of a bribery offence by anyone associated with the organisation in respect of business carried out on behalf of the organisation

The Act therefore makes it an offence to offer, promise or give a bribe, agree to receive or accept a bribe and to bribe a foreign official with the intention of obtaining or retaining business or an advantage in the conduct of business. There is also a corporate offence of failure by a commercial organisation to prevent bribery that is intended to obtain or retain business, or an advantage in the conduct of business. An organisation will have a defence to the latter if it can show it had adequate procedures in place designed to prevent bribery.

Individuals guilty of an offence are liable to imprisonment up to 10 years or to an unlimited fine or both.

Organisations guilty of failing to prevent bribery are liable to an unlimited fine.

BRIBES

Offering Bribes

CDN expressly prohibits any person employed by, or associated with it, from offering, promising or giving any financial or other advantage to another person where it is intended that the advantage will bring about improper performance by another person of a relevant function or activity, or that the advantage will reward such improper performance.

Accepting Bribes

CDN expressly prohibits any person employed by or associated with it from requesting, agreeing to receive or receiving any financial or other advantage with the intention that a relevant function should be performed improperly as a result of the bribe or as a reward for performing the relevant function improperly.

The improper performance of a relevant function in anticipation of receiving financial or other advantage is also prohibited.

Public Officials

CDN expressly prohibits the bribing of a UK or foreign public official in order to obtain or retain business or an advantage in the conduct of business.

HOSPITALITY AND BUSINESS GIFTS

The Bribery Act does not seek to prohibit reasonable and proportionate hospitality, advertising, sponsorship and promotional or other similar business expenditure, as it is recognised that this constitutes an established and important part of doing business.

However, hospitality, promotional and similar business expenditure can be used as bribes and therefore the acceptance or giving of business gifts and hospitality should follow CDN's gifts and hospitality policy.

CDN expressly prohibits the giving and receiving of hospitality/business gifts and similar where the intention in doing so is to receive or confer an advantage in return for giving or receiving the hospitality/business gift or similar.

NEW BUSINESS AND CHANGE IN BUSINESS/CONTRACTS

Where a member of staff, including consultants, develops or seek to develop new avenues for business or new contracts, or where the nature of the business changes, they should inform their line manager of this in order that due diligence and a risk assessment of the circumstances can be undertaken.

Where a business relationship with an external party is sought or newly established, or the nature of the relationship is changed, appropriate due diligence must be exercised to ensure that there are no circumstances giving rise to a concern. That external party must also be made aware of this Anti-bribery Policy.

FACILITATION PAYMENTS

Facilitation payments are small bribes that are paid to speed up or facilitate government action. Although they are commonplace in some foreign countries, they are regarded as bribes and are illegal under the Bribery Act.

CDN expressly prohibits facilitation payments of any sort. Any member of staff placed under pressure to make a facilitation payment should refer the matter to the Company Secretary immediately.

DONATIONS

CDN expressly prohibits the giving of donations to political parties.

Any charitable donation must be consistent with CDN's policy on charitable giving and with the knowledge and consent of the Chief Executive or the Company Secretary.

CDN expressly prohibits the making of charitable donations where the purpose of the donation is to secure an advantage. All charitable donations must be made without expectation of reward.

Anyone who has concerns regarding acts or potential acts of bribery should report it under CDN's whistle blowing policy..

PENALTIES

The penalties for breaching the provisions of the Bribery Act 2010 include unlimited fines for CDN, imprisonment and unlimited fines for individuals.

Failure to follow these procedures may result in formal disciplinary action being taken against you, as set out in our disciplinary procedure.