

# ANTI-BRIBERY & CORRUPTION POLICY



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## 1. Overview

This Policy sets out the anti-bribery and corruption rules and principles that apply to ASR ALAMDAD TRADING COMPANY (AAA).

This policy:

- Extends to all of AAA's dealings and transactions, both locally and overseas, with clients, government authorities, contractors, suppliers and the community as a whole;
- Applies to all AAA directors, officers, employees, (AAA Personnel) (and to the extent expressly specified in this Policy, to AAA's contractors, suppliers and agents), regardless of where they are geographically located or locations in which they perform work for AAA; and
- Must be complied with even if the applicable local laws in any geographical area are not as strict as the requirements set out in this Policy. Where local laws are stricter, AAA personnel must comply with those laws in addition to this Policy.

This Policy applies to AAA's operations worldwide to ensure that AAA complies with anti-bribery laws (Kingdom Of Saudi Arabia) that may apply beyond their national borders. The financial penalties for bribery offences can potentially be very significant and serious for individuals and AAA and may include fines of an unlimited amount and/or criminal sanctions.

AAA treats any breach of this Policy by any person or entity (including AAA’s contractors and suppliers) as a serious matter and reserves the right to take appropriate disciplinary steps against any offenders where it considers it warranted.

## 2. Bribery

AAA *prohibits* the giving or offering of bribes to anyone, regardless of whether the recipient is a government or “Public Official” (as defined in section 3 below), or the recipient is acting for a private sector business. This prohibition applies to AAA Personnel and AAA’s contractors, suppliers and agents.

**Bribery** occurs where a person either:

Offers, promises or gives another person a benefit with the intention of influencing the recipient in the exercise of their duties to attract new business, keep existing business or secure a business advantage, which is not legitimately due to the person; or requests, agrees to receive or accepts such a benefit from a third party.

Any sort of benefit or advantage that is offered or provided can constitute Bribery – ie. the benefit does not have to be financial; it can be anything that the proposed recipient attaches any form of value to (such as gifts, meals, tickets to sporting or entertainment functions, travel expenses, discounts, rebates, kick-backs, donations, preferential treatment and favours).

Importantly, Bribery may occur regardless of whether:

- The benefit in question is actually provided or whether it secures the outcome intended (i.e. the mere offering or requesting of a benefit will still constitute bribery); or
- The benefit in question is offered to, or accepted by, a third party (ie. someone other than the two parties involved in the transaction or business opportunity).

Facilitation Payments, and the offering, giving and/or receipt of Gifts or Hospitality, Political Donations or Sponsorships may constitute Bribery in relevant circumstances.

As a result, such benefits should *only* be offered, provided or received in accordance with this Policy: *see section 3, section 4 and section 5 (below)*.

### 3. Facilitation Payments

AAA *prohibits* the offering of, or making of, **Facilitation Payments** to any **Public Officials**. This prohibition applies to all AAA Personnel and AAA's contractors, suppliers and agents.

The only situation Facilitation Payments are permissible is where your liberty or safety (or the liberty or safety of another person) is genuinely at risk if you do not make the Facilitation Payment. Any Facilitation Payment in such circumstances must be reported to Oversight And Anti-Corruption Authority's General Counsel as soon as possible after it is made, and you must maintain an accurate record of the payment (as set out in section 6(b) below).

A **Facilitation Payment** is the payment of money or the provision of gifts to a public official in order to speed up or secure the performance of a routine action or process which AAA is entitled to have performed for it, and the government official is ordinarily obliged to perform.

Facilitation Payment is a common example of Bribery.

Examples of Facilitation Payments include:

- ✓ A payment to a custom official to speed up the release of goods from a customs warehouse, where the payer is entitled to the release of the goods and where the payment is outside of the official process; and
- ✓ A payment outside of the official process to facilitate the installation of a telephone line where the payer is entitled to the line by law or contract.

**Public Officials** are people who perform a public function in a country or location, and include but are not limited to:

- ✓ any government officer, employee or other representative (local or national, foreign or domestic);
- ✓ any person with a legislative, administrative or judicial function (whether appointed or elected). For example: judges, tax officials, customs officials, regulators, government personnel who issue licenses or permits, planning officials and immigration officials;
- ✓ all politicians and political candidates (local or national, foreign or domestic);
- ✓ any political party official;
- ✓ any member of a royal or governing family, including any person who holds or performs the duties of any appointment created by custom or convention or who otherwise acts in an official capacity (including some indigenous or tribal leaders who are authorized to act on behalf of the relevant group);
- ✓ the officers, employees and representatives of government-owned or controlled organizations and publicly-funded organizations. For example: employees of state-run hospitals and employees of central banks. In numerous countries many businesses and organizations are State-owned enterprises so their employees would also be public officials;
- ✓ any international public organization's employee, officer or representative, such as the United Nations or the World Health Organization; and
- ✓ any person who holds themselves out to be an authorized intermediary of a government official.

#### **4. Offering or Accepting Gifts or Hospitality**

**Gifts or Hospitality** means anything of value, and may take the form of money, meals, tickets to any functions (ie. business, entertainment or sporting functions, including functions hosted by AAA Contracting), services, coupons or discounts, or a promise to provide any such benefits in the future.

AAA personnel offering or providing Gifts or Hospitality to others (e.g. clients or prospective clients) or accepting Gifts or Hospitality from others (e.g. suppliers and subcontractors) can sometimes constitute Bribery.

In deciding whether to offer any Gifts or Hospitality to anyone, or accept Gifts or Hospitality from anyone, the following guidelines must be followed:

(a) Gifts or Hospitality offered must not affect the independence or objectivity of the recipient. Professional judgement and utmost care must be exercised at all times to ensure that the offering, giving or receiving of the Gifts or Hospitality does not create a reasonable perception that it is intended to influence the business relationship between the company and the recipient of the gift (or vice versa) in an *improper or unprofessional* way.

As a general rule, this means that Gifts or Hospitality should only be offered, or accepted, if they are occasional and of modest value.

- (i) the Gifts or Hospitality exceeds a value of 300 SAR per person regardless of who it is offered to or received from; or
- (ii) Gifts or Hospitality (regardless of value) is to be provided to, or accepted from, a Public Official.

(b) Gifts of money must not be made or accepted unless prior approval is obtained from Oversight And Anti-Corruption Authority's General Counsel Or Oversight And Anti-Corruption Authority's Chief Executive Officer.

(c) Gifts or Hospitality must not be solicited or requested.

(d) You must obtain *prior* written approval before offering, or accepting, any Gifts or Hospitality where:

Prior approval must be obtained from the following individuals:

- where the Gift takes the form of money – Oversight And Anti-Corruption Authority’s Chief Executive Officer or General Counsel; and
- where the Gift or Hospitality takes any other form – from a line-manager (who must be at least at General Manager-level).

Once you have obtained approval to offer to any person (or receive from any person) a Gift of Hospitality exceeding 300 SAR in value, you must *immediately* complete a “Gift Register Declaration” form and send it to the Oversight And Anti-Corruption Authority’s General Counsel.

(e) Keep a record of the Gift or Hospitality offered or accepted as set out in section 6(a) below.

*Note: Gifts or Hospitality offered to (or for the benefit of) a politician, political candidate, political party representative, employee or intermediary, are likely to constitute a “political donation”, so please refer to section 5 below for additional guidelines that apply.*

AAA’s suppliers, agents and contractors must ensure that to the extent they offer any Gift or Hospitality to any AAA client or perspective client, it is made clear to the recipient that the Gifts or Hospitality are *not* made for (or on behalf of) AAA, and/or on account of AAA’s business relationship with the recipient.

## **5. Political Donations and Sponsorships**

AAA may only offer donations or sponsorship (including Political Donations) in accordance with Oversight And Anti-Corruption Authority’s Donations & Sponsorships Policy.

AAA suppliers, agents and contractors are *strictly prohibited* from offering or making *any* donations or sponsorships of any kind, unless the recipient understands that the contribution has



not been made for (or on behalf of) AAA, and it is not associated with AAA's business with the recipient.

- (i) Create a culture that aligns with our values by:
  - o engages in model ethical behavior;
  - encourages open communication with employees and provide guidance and feedback in response to their questions or concerns;
  - report violations, escalating issues or seek help From Oversight And Anti-Corruption Authority's General Counsel; and
  - ensure that no employee is retaliated against for reporting suspected or potential violations of this Policy or applicable laws.
- (ii) Record-keeping – keep accurate financial and business records that fairly reflect any business dealings you conduct on behalf of AAA, especially in relation to Gifts or Hospitality you offer to third parties. AAA prohibits any accounts being kept "off-book" to facilitate or conceal improper payments.

## 6. The do's and don'ts

### (a) Things you *should* do to help ensure compliance with AAA's legal obligations

- acting honestly and ethically in all your business dealings;
- complying with, and being accountable for adherence with, the law, as well as AAA's policies and business procedures;
- promptly reporting any suspected or actual violations of this Policy to Oversight And Anti-Corruption Authority's General Counsel;
- seeking guidance from Oversight And Anti-Corruption Authority's General Counsel when faced with any ethical or legal challenge; and
- if you operate in a supervisory role – always:

- Where you have received prior approval to offer or receive a gift valued at 300 SAR or more per person to or from anyone, immediately complete the “Gift Register Declaration” form and send it to the General Counsel.

For any Gifts or Hospitality, you offer or receive from anyone, you must keep the following records, which can be produced to AAA upon request:

- the date the offer was originally made, and the date it was accepted;
- the description of the Gift or Hospitality (e.g. location of the function, the item given);
- the name and title of the individuals to whom the gift was offered, and those who accepted it;
- the business purpose/reason for the expense or gift; and
- the total value of the Gift or Hospitality offered to the client, and the total value of the accepted Gift or Hospitality.

(iii) Attend and complete all training sessions or e-modules that AAA offers regarding the application of this Policy.

*Note: The obligation to maintain your own records of any Gift or Hospitality you offer or receive, is separate from (and in addition to) your obligation to complete a “Gift Register Declaration” where required by this policy.*

It is the responsibility of each executive, officer, employee, contractor and agent to attend training that provides you with more information on this Policy and the laws that may apply in the jurisdictions in which you work. If you are ever in doubt, please contact Oversight And Anti-Corruption Authority’s General Counsel.



**(b) Things you must not do**

It is important that you do *not* do any of the following which may constitute a breach of our obligations:

- offer, promise or give Gifts or Hospitality to a person if that is intended to convince the person (or could be reasonably perceived as trying to influence the person) to perform their job improperly or to reward such improper performance;
- offer, give or receive Gifts or Hospitality that create (or could reasonably be perceived as trying to create) a business obligation between AAA and another party;
- offer, promise or give Gifts or Hospitality to a person where you know their governing statute or internal policy prohibits the giving or receiving of gifts or attendance at corporate hospitality;
- offer, promise, give or receive Gifts or Hospitality to a Public Official without the prior approval of Oversight And Anti-Corruption Authority's General Counsel or Oversight And Anti-Corruption Authority's Chief Executive Officer – and do not request approval for such Gifts or Hospitality where you consider it is inconsistent with the spirit of this Policy;
- offer, promise, give or receive Gifts or Hospitality to, or from, a particular person so regularly or frequently as to create an impression of impropriety;
- offer, promise, give or receive Gifts or Hospitality valued at more than 300 SAR (per person) *without* the prior written approval described in Section 4(d) of this policy;
- offer, promise, give or receive Gifts or Hospitality of a nature that are illegal or inconsistent with the company's image as a leading construction, contracting and mining services business;
- offer, promise, give or receive Gifts or Hospitality that could be considered disproportionate;
- offer, promise, give or receive money;

- solicit or request Gifts or Hospitality to be provided;
- accept an offer of free travel or accommodation unless: (i) it is for business-related purposes; and  
(ii) prior written approval has been obtained in accordance with Section 4(d) of this policy.

These rules are strict – and AAA personnel must ensure they do not engage in prohibited conduct regardless of:

- the country in which you or the recipient of the benefit is located;
- whether the benefit is promised or given to the person concerned or to a third party (e.g. a family member);
- whether the benefit is promised or given by you personally or by a third person (e.g. an agent or intermediary);
- local custom/locally acceptable practice;
- the value of the benefit; or
- whether the benefit to the business of AAA has already occurred (e.g. a gift given after a decision is made by a Public Official).

## 7. Business Associates

AAA may be held liable for any Bribes offered or paid by its Business Associates (or received by its Business Associates) which are considered to confer a direct or indirect benefit on AAA.

**Business Associates** are people or corporate entities that interact with others for, or on behalf of AAA. A party may be a Business Associate of AAA because either:

- AAA has formally requested or authorized it to act on AAA’s behalf (either orally or in writing); or
- based on its past dealings with AAA, a reasonable person would assume that the party is acting for or on behalf of AAA (regardless of whether AAA has authorized it to act for or on behalf of AAA in this instance).

Business Associates may include:

- agents, consultants, intermediaries and other representatives (including import and customer agents);
- finders and introducers;
- brokers;
- vendors and outsourcers;
- tax advisors, lawyers and sales and marketing firms;
- lobbyists (of any kind);
- joint venture partners; and
- subsidiaries and affiliates.

Please also consult the Oversight And Anti-Corruption Authority Process Document titled “Business Associates – Red Flags” for examples of some factors or circumstances that suggest a potential Business Associate may pose a *heightened* Anti-bribery & Corruption risk

Prior to engaging any Business Associate for AAA:

- (a) ensure you conduct any tender or expression of interest to identify a suitable Business Associate in a manner that is consistent with the spirit of Oversight And Anti-Corruption Authority’s Tendering & Procurement Policy;



(b) if the Business Associate *may* operate for, or on behalf of,

AAA in a country outside Kingdom Of Saudi Arabia – if the country in question scores below 40 on Transparency International's most recent Corruption Perceptions Index (see <https://www.transparency.org/country/>), do **not** authorize the Business Associate to provide services to AAA in that country until you receive written approval from Oversight And Anti-Corruption Authority's General Counsel; and

(c) seek written approval from Oversight And Anti-Corruption Authority's General Counsel to continue using the Business Associate where:

(i) the Business Associate has undergone a change in senior management since AAA engaged it;

or

(ii) AAA's contract with the Business Associate has been in place for more than 36 months.

## **8. Reporting & Whistleblowing**

If you identify or have any reasons to suspect that AAA personnel or AAA's suppliers, agents or contractors have acted in manner that is inconsistent with this Policy, please report this matter to AAA in accordance with Oversight And Anti-Corruption Authority's Whistleblower Reporting policy.

AAA does not tolerate retaliation of any kind against personnel who raise genuine concerns or who participate in the investigation of a report of suspected misconduct. If you engage in retaliation, you will be subject to disciplinary action, which may include termination of your employment.

AAA takes all reported concerns seriously. Where appropriate, AAA will investigate reports of bribery in any way connected to AAA and consider what action to take as a result of such investigations (including, where applicable, disciplinary action against personnel (which may include dismissal), termination of business relationships and reports to relevant governmental authorities or regulators).



## 9. Queries

Please contact Oversight And Anti-Corruption Authority's General Counsel immediately if:

- you have any query about the application of this Policy; or
- you are unsure how this Policy operates in conjunction with other Oversight And Anti-Corruption Authority policies.

A handwritten signature in blue ink, appearing to read "Faisal Al-Shaiban".

**Faisal Al-Shaiban**  
**Managing Director**