



Yellow Door Energy

Anti-Bribery & Corruption Policy

Last Updated: Jan 25, 2019

FOREWORD

This policy sets out the general rules and principles to which we adhere. It will be communicated to all businesses and employees overseen by Yellow Door Energy's Board, as well as any relevant third-parties. Those who work in areas within our business that have been identified as being high risk will receive additional training and support in identifying and preventing bribery and corrupt activities.

Through the procedures explained in this policy Yellow Door Energy and its subsidiaries ("YELLOW DOOR ENERGY") can maintain its high ethical standards and protect its reputation against any allegations of bribery and corruption. The successful implementation of this policy requires proactive adoption at the following levels:

- **You** – as an employee of YELLOW DOOR ENERGY, are required to read and understand all aspects of this policy, and abide by it.
- **Compliance Officer** – the Compliance Officer (as part of the Compliance Steering Committee) is responsible for overseeing the implementation and compliance of the policy throughout all departments, providing necessary training, updating the policy and supervising the monitoring and review processes.
- **Yellow Door Energy's Board**– has overall responsibility for implementation of the policy within YELLOW DOOR ENERGY and monitoring compliance with the policy.

1. INTRODUCTION

YELLOW DOOR ENERGY recognizes that bribery and corruption has a detrimental effect on communities wherever they occur. If ingrained, they can threaten the fabric of society by undermining laws, democratic processes and basic human freedoms, leading to the impoverishing of states and damaging trade and competition. Corruption is often associated with organized crime, money laundering and on occasions the financing of terrorism.

It is YELLOW DOOR ENERGY's policy to maintain the highest level of ethical standards in the conduct of its business affairs and YELLOW DOOR ENERGY has a zero tolerance of bribery and corruption. This policy has been adopted by YELLOW DOOR ENERGY's board of directors and is to be communicated to everyone involved in our business to ensure their commitment to it. Any breach of this policy will be regarded as a serious matter by YELLOW DOOR ENERGY and is likely to result in disciplinary action.

This is not only a cultural commitment on the part of YELLOW DOOR ENERGY, it is a moral issue and a legal requirement. Bribery is a criminal offence in most countries in which YELLOW DOOR ENERGY operates, and corrupt acts expose YELLOW DOOR ENERGY and its employees to the risk of prosecution, fines and imprisonment, as well as endangering YELLOW DOOR ENERGY's reputation.

2. WHAT IS A BRIBE?

YELLOW DOOR ENERGY defines a bribe as the offer, promise, giving, accepting or soliciting of a payment or benefit to a person intended as a reward or inducement to act contrary to the proper exercise of their duty, good faith or impartiality.

In the business world bribes are generally used to obtain, retain or direct business. This may involve sales processes, such as tendering and contracting, or it may involve the handling of administrative tasks such as licenses, customs, taxes or import/export matters. A bribe could be:

- the direct or indirect promise, offering, or authorization, of anything of value;
- the offer or receipt of any kickback, loan, fee, reward or other advantage; or
- the giving of aid, donations or voting designed to exert improper influence.

3. THE LAW

The UK Bribery Act 2010 is used as the basis for this policy. This is now among the strictest legislation internationally on bribery. There are four types of offences under the Bribery Act, that of:

- bribing another person;
- being bribed;
- bribing foreign public officials; and
- failure of commercial organizations to prevent bribery.

Bribery is a criminal offence and carries criminal penalties. Where a company is convicted of an offence the person who acted, the senior officer (if the person acted with the consent or

connivance of the senior officer) and the company can all be punished. For an individual this can be up to 10 years' imprisonment and an unlimited fine. For a company this can be an unlimited fine.

YELLOW DOOR ENERGY prohibits:

the offering, the giving, the solicitation or the acceptance of any bribe, whether cash or other inducement

to or from

any person or company, wherever they are situated and whether they are a public official or body or private person or company

by

any individual employee, agent or other person or body acting on YELLOW DOOR ENERGY's behalf

in order to

gain any commercial, contractual or regulatory advantage for YELLOW DOOR ENERGY in a way which is unethical

or in order to

gain any personal advantage, financial or otherwise, for the individual or anyone connected with the individual.

4. THE POLICY

This prohibits any inducement which results in a personal gain or advantage to the recipient or any person or body associated with them, and which is intended to influence them to take action which may not be solely in the interests of YELLOW DOOR ENERGY or of the person or body employing them or whom they represent.

Inevitably, determining whether something is a bribe or not may not always be easy. This Anti-Bribery and Corruption Policy contains procedures and guidance to deal with situations where there is a risk of bribery and also details of who to contact should you have any concerns or doubts.

5. SCOPE

YELLOW DOOR ENERGY's zero tolerance of bribery and corruption applies to all officers, directors and employees as well as any agents, contractors, representatives or other parties acting on behalf of YELLOW DOOR ENERGY or any subsidiary, of which YELLOW DOOR ENERGY has effective control, in any country that we operate. YELLOW DOOR ENERGY also encourages the application of a zero tolerance policy on bribery and corruption in any subsidiary in which we do not have a controlling interest.



YELLOW DOOR ENERGY expects our business partners, suppliers and contractors to act with integrity and without thought or actions involving bribery and/or corruption and will, where appropriate, include clauses to this effect in relevant contracts.

6. COMPLIANCE STEERING COMMITTEE RESPONSIBILITIES

Compliance Steering Committee's responsibilities shall entail but are not limited to:

- i. Risk Assessment: Monitoring and directing business areas and their respective Compliance Officer in conducting their annual risk assessments to identify and prioritize the internal and external corruption risks faced by their business, and following such risk assessments, identifying potential areas for improvement in YELLOW DOOR ENERGY's internal structures and procedures and recommending actions to mitigate the identified risks.
- ii. Monitoring: Directing and overseeing periodic assessments of the effectiveness of YELLOW DOOR ENERGY's Anti-Corruption Program. These assessments include evaluations of how well relevant policies and procedures are being implemented and followed throughout the company.
- iii. Procedures and Governing Documents: Drafting and revising YELLOW DOOR ENERGY's anti-corruption policies and procedures and providing input on other policies and procedures that include anti-corruption compliance elements,
- iv. Communication and Training: Preparing ethics and anti-corruption training programs for all YELLOW DOOR ENERGY personnel, including personnel working in subsidiaries or other office. Training the Compliance Officers and assisting them in identifying YELLOW DOOR ENERGY personnel who should participate in anti-corruption training and workshops, such as employees working in high risk countries or functions, and preparing material and communicating information throughout YELLOW DOOR ENERGY related to ethics and anti-corruption compliance.
- v. Due Diligence: Conduct due diligence on counterparties in a potential business relationship. This includes scoping level of information required, analysis of information, identifying corruption risks and recommending appropriate risk mitigation measures, and initiating and filing recommendation from the Compliance Committee
- vi. Guidance: Providing guidance on anti-corruption issues, anti-corruption laws, regulations, policies and procedures.
- vii. Legislation: Monitoring the development of anti-corruption legislation and other regulatory requirements in countries where YELLOW DOOR ENERGY has or plans to have activities.

7. RECORD KEEPING

We must ensure that we maintain accurate books, records and financial reporting within all YELLOW DOOR ENERGY departments and for all third-party representatives working on our behalf. All accounts, invoices, memoranda and other documents and records must be prepared and maintained with strict accuracy and completeness. No accounts may be kept “off-book” in order to facilitate or conceal improper payments. All assets, liabilities, revenues and expenses must be recorded, using the proper general ledger accounts, in the regular books of the company. All accounting records, expense reports, invoices, vouchers and other business records must be accurately and fully complete, properly retained and reliably reported and recorded.

Compliance Officer shall maintain a Gifts and Hospitality Register of all gifts and hospitality received from and given to third parties by YELLOW DOOR ENERGY staff in their department (see YELLOW DOOR ENERGY Gifts and Hospitality Policy and Procedure for further details).

8. FACILITATION PAYMENTS

These are payments used by businesses or individuals to secure or expedite the performance of a routine or necessary action to which the payer has a legal or other entitlement e.g. to expedite a visa application. In many countries, it is customary business practice to make payments or gifts of small value to government officials in order to speed up or facilitate a routine action or process. Payments that are legitimate under the local law of the public official where there is no intention to influence the public official are not facilitation payments. Records of any such payments should be made to your Compliance Officer.

YELLOW DOOR ENERGY recognizes that corrupt foreign officials demanding payments may put our employees, business partners, suppliers and contractors who are not otherwise corrupt in very difficult positions. Payments not legitimately requested may be a bribe and as such are prohibited and will result in immediate dismissal, except for medical or safety emergencies, where:

1. The payment is legitimately required; and
2. There is no intention to bring about the improper function of the official’s role or to influence the official to act in such a way as to obtain or retain business for YELLOW DOOR ENERGY.

In all circumstances a receipt for payment should be obtained. If you are in doubt about the legitimacy of any such request for payment, prior approval should be sought from the Compliance Officer of your company or, if not practicable, the payment should be made first and then a record of such payment should be kept and immediately reported to the Compliance Officer.

9. GIFTS AND HOSPITALITY

The giving or receiving of gifts or hospitality could influence or be perceived to be capable of influencing a transaction and as such could be considered a bribe especially if they are lavish

or inappropriate. On no account should gifts be accepted that by their nature have the potential to cause reputational damage to the organisation.

YELLOW DOOR ENERGY 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 and what public perception would be if the information was published given the Employee's role and circumstances. The intention behind the gift should always be considered.

Detailed guidance on what are acceptable gifts and hospitality is given in the separate YELLOW DOOR ENERGY Gifts & Hospitality Policy and Procedures (see YELLOW DOOR ENERGY Gifts and Hospitality Policy and Procedure for further details).

10. POLITICAL CONTRIBUTIONS

A political contribution is a contribution, financial or in-kind, to support a political cause. Examples of financial contributions include donations and loans. Examples of in-kind contributions include gifts, the loan or use of property, provision of services, advertising or promotional activities endorsing a political party, the purchase of tickets to fundraising events and contributions to organisations or 'think-tanks' with close associations with a political party. The risk of political contributions is that they may be used or be perceived to be used as a cover for bribery to retain or obtain a business advantage such as to win a contract.

YELLOW DOOR ENERGY does not allow political contributions in any form whether to political parties, causes or to support candidates. Strict aggregate financial limits, to cover certain categories of political expenditure which could be defined as political contributions, have been approved by our shareholders to protect YELLOW DOOR ENERGY from any inadvertent violation of the law. Nonetheless, YELLOW DOOR ENERGY does not intend to make political contributions.

The appointment of any politician, government official or former politician as a consultant, employee or officer of YELLOW DOOR ENERGY requires approval by the board and is subject to applicable laws. If YELLOW DOOR ENERGY does use a politician, government official or former politician as a consultant, then the Compliance Officer shall review the appointment to ensure that it will not create a conflict of interest for the consultant and that any fees paid are appropriate for the work undertaken.

11. CHARITABLE DONATIONS

YELLOW DOOR ENERGY only makes charitable donations that are legal and ethical under local laws and practices. No donation over \$5,000 must be offered or made without the prior approval of the Compliance Officer.



12. DEALINGS WITH THIRD PARTIES

YELLOW DOOR ENERGY's Anti-Bribery and Corruption Policy shall be communicated to all third-parties with whom YELLOW DOOR ENERGY has business dealings.

Sales and Purchases:

YELLOW DOOR ENERGY shall ensure that in contracting for the sale/purchase of goods or for the supply of services by/to YELLOW DOOR ENERGY that these transactions are conducted in an honest, fair and transparent manner. YELLOW DOOR ENERGY shall endeavor to contract with parties who have similar policies in place.

Agents and Intermediaries:

The following procedure must be followed for the appointment of an agent or intermediary. Also, this procedure must be repeated when contracts are renewed and at regular two yearly intervals on existing agents.

Due Diligence:

The potential agent shall be required to complete a due diligence questionnaire to provide information including details of its shareholders, directors, other clients, any involvement or relationship (business or familial) with public officials, and its resources and capabilities to perform the services required which can be obtained from the Compliance Officer.

The completed questionnaire shall be read by the supervisor to check for any red flags. If a prospective agent is unwilling to provide the requested information or is offended by the request then this may itself represent a red flag and an alternative agent should be sought.

This information provided must be independently verified by the supervisor. Checks can be made with local embassies, business contacts and other organizations in the local market to find out any concerns and determine which agents are regarded highly or adversely and why.

Appointing the Agent:

To protect against agents being appointed for corrupt purposes or behaving corruptly, the business case for appointing an agent must be reviewed using consistent criteria set by the Compliance Steering Committee.

The appointment should be reviewed and approved by a supervisor or in high risk areas by the Compliance Officer.

All appointments must be notified to the Compliance Officer along with documentation of the details of the agent and of the proposed working relationship together with details of the due diligence carried out.

Fees, commissions and expenses paid to an agent must be reasonable in relation to the services provided. The fees shall be compared against those paid to other agents and the norms in the country and industry.

Adherence to the Policy:

All agents shall receive a copy of YELLOW DOOR ENERGY's Anti-Bribery and Corruption Policy.

In areas that are high risk for bribery the agent shall be offered additional training as determined by the Compliance Officer.

All contracts shall contain provisions requiring adherence to these policies and sanctions in the event of a breach of this policy including permission to immediately terminate the contract. The agent shall be informed as to the nature of any sanctions and the circumstances in which they would apply including any right of appeal.

Documentation:

The Compliance Officer shall maintain a register of its agents which shall include details of the agent and of the relationship together with details of the due diligence carried out. Every step of the procedure in the appointment and monitoring of an agent shall be documented, including records of negotiations, payments, meetings, reviews, inspections and audit.

Contractors:

All contractors shall be required to adhere to YELLOW DOOR ENERGY's Anti-Bribery and Corruption Policy and a copy shall be provided to them. Where appropriate contractors shall be required to participate in YELLOW DOOR ENERGY's induction programme and receive training. Contracts shall contain provisions requiring adherence to these policies and sanctions in the event of a breach of this policy including permission to immediately terminate the contract.

13. EMPLOYMENT PROVISIONS

All new employees shall have a provision in their contract of employment requiring them to comply with YELLOW DOOR ENERGY's Anti-Bribery and Corruption Policy. This provision shall state that breach of either of these policies is a disciplinary offence that could result in immediate dismissal on ground of gross misconduct.

Copies of YELLOW DOOR ENERGY's Anti-Bribery and Corruption Policy shall be included in staff handbooks and these policies shall be covered in all staff inductions.

Staff working in roles that are high risk for exposure to bribery (e.g. marketing, sales and purchasing) shall receive additional training as determined by the Compliance Officer in how to deal with instances of bribery and how to avoid conduct that may be perceived as bribery. All supervisors shall be given additional training in the implementation of this policy in their respective departments.

The Anti-Bribery and Corruption Policy does not form part of any employee's contract of employment and may be amended at any time.

14. TRAINING

All YELLOW DOOR ENERGY employees are required to attend periodic anti-corruption training to ensure that YELLOW DOOR ENERGY's ethical values and anti-corruption policies and procedures are understood and implemented at all levels. In addition, YELLOW DOOR



ENERGY employees whose job functions or tasks expose them to greater corruption risks are required to attend in-depth training as further described below.

Additional Training of YELLOW DOOR ENERGY employees in High Risk Functions or Areas:

- i. YELLOW DOOR ENERGY employees who, by virtue of their work, are particularly exposed to corruption risk will receive additional periodic anti-corruption training pursuant to national and international anti-corruption laws and regulations.
- ii. The Compliance Officer is responsible for identifying and coordinating the training of YELLOW DOOR ENERGY employees, including employees working in high-risk functions or areas, such as senior advisers and persons working in certain staff functions, including legal and finance; personnel with procurement, contracting and marketing responsibilities; personnel who regularly interact with Public Officials, such as those responsible for obtaining licenses and permits and clearing goods through customs; and personnel working in geographic areas deemed to have a high risk of corruption.

15. DISCIPLINARY PROCEDURES

Any breach of the Anti-Bribery and Corruption Policy is a serious matter and will be the considered grounds for disciplinary action. Any disciplinary action will be taken according to YELLOW DOOR ENERGY's Disciplinary Procedure. The full range of disciplinary actions shall be available for any breach of these policies, including immediate dismissal.

16. REPORTING PROCEDURES

Compliance Officer Contact Details:

Telephone number: 00971562196933; and

E-mail: rania.jarjur@yellowdoorenergy.com

It is the responsibility of each employee to comply with both the letter and also the spirit of the policy. If an employee becomes aware of any conduct that he/she believes may violate this policy, the employees must report the activity by following YELLOW DOOR ENERGY's Whistle-Blowing Procedure. We recognize that employees may not always feel comfortable about going through a formal process but we would encourage any employee to use the whistle-blowing procedure. Alternatively, the Compliance Officer can be contacted.

Any reports or concerns raised via the whistle-blowing process, to the Compliance Officer are entirely confidential and all reports are taken seriously and investigated, where appropriate. No employee is discriminated against in any way as a result of reporting a concern in good faith.

17. MONITORING AND AUDIT

It is the responsibility of each supervisor, in conjunction with the Compliance Officer, to monitor that their department is adhering to this policy.

The Compliance Officer shall devise any internal control procedures deemed necessary which shall be implemented by the Compliance Officer. These may include, but are not limited to supply chain monitoring.

The Compliance Officer will direct, oversee and prepare periodic assessment reports of the effectiveness of YELLOW DOOR ENERGY's Anti-Corruption Program. These assessments include evaluations of how well relevant policies and procedures are being implemented and followed throughout the company.

Risk Analysis and Reporting (Internal and External):

At least once a year, the Compliance Officer, under the direction of the Compliance Steering Committee, conducts a risk analysis to identify the external and internal risks of corruption that the business areas may encounter. The assessment covers the risks identified below.

In conducting a risk assessment, YELLOW DOOR ENERGY considers the following external corruption risks:

- i. *Country risks* (as evidenced by perceived high levels of corruption and an absence of effectively implemented anti-corruption legislation, among other factors)
- ii. *Transaction risks* (such as those associated with social investments, interactions with public officials or transactions relating to public procurement)
- iii. *Business Opportunity Risks* (such as those associated with projects involving intermediaries acting on YELLOW DOOR ENERGY's behalf) and
- iv. *Business Partnership risks* (such as those associated with joint ventures and the use of intermediaries or others acting on YELLOW DOOR ENERGY's behalf in transactions with public officials)

YELLOW DOOR ENERGY also considers internal corruption risks, such as the risk of non-compliance with anti-corruption policies and procedures.

Based on the assessment, the Compliance Officer drafts a report, with input from the business, to be submitted to the Compliance Steering Committee. The report includes a description of the external and internal corruption risks faced by the business and recommended actions to mitigate each identified risk.

The Compliance Officer shall also update the policies and procedures to reflect changes in YELLOW DOOR ENERGY's business or environment and conduct analysis of incidents and violations of the policies. If appropriate the Compliance Officer shall obtain external verification (testing the effectiveness of the measures in place and assurance of the adequacy of the design and implementation of the Policies).



18. REVIEW

Reports on the results of regular monitoring summarizing the findings of internal audits, identified deficiencies, initiated actions and recommendations should be submitted to the Compliance Officer, who shall decide whether such actions are appropriate to deal with the risks and to improve the effectiveness of YELLOW DOOR ENERGY's Anti-Bribery and Corruption Policy and consider as to whether external verification would be appropriate. This should form the basis of regular reports to the board of directors highlighting deficiencies and serious matters.

Ultimate responsibility for overseeing the implementation and review of the Anti-Bribery and Corruption Policy lies with the board of directors. The board shall receive regular reports on the implementation of the program, the findings of the review process and of any incidents or allegations of bribery and actions taken to correct deficiencies. The board may consider, if appropriate, disclosing the findings and recommendations of a report on the adequacy of the Anti-Bribery and Corruption Policy in the organization's Annual Report to shareholders.

If YELLOW DOOR ENERGY becomes aware of an allegation or incident of bribery, then legal advice shall be sought.