



A decorative graphic on the left side of the page, consisting of three stacked, stylized, semi-circular shapes in red and gold, resembling a stylized 'B' or a series of connected arcs.

# **BUA CEMENT PLC**

## **ANTI- BRIBERY AND CORRUPTION POLICY ("THE POLICY")**

**Document Review and Approval**

This Anti-Bribery and Corruption Policy was approved by:

Name	Representing	Signature	Date
Khairat AbdulRazaq -- Gwadabe	Governance, Establishment and Remuneration Committee		10/6/24
Abdul Samad Rabiou CFR	Board of Directors		10/6/24

**Revision History**

Version	Author	Date	Revision

**This document has been reviewed by**

S/N	Reviewer	Date Reviewed

**DOCUMENT OWNERSHIP AND RESPONSIBILITY**

This document is the property of BUA Cement Plc. The Company Secretary/Chief Legal Officer is the Custodian of this document; and shall be responsible for ensuring that the Code is reviewed when the need arises.

Name	Role	Date	Version

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## 1. INTRODUCTION

- 1.1. BUA CEMENT PLC ("**BUA**," or "the **Company**") is committed to the highest standards of Anti-Bribery & Corruption in Nigeria. The Company conducts its business in the Federal Republic of Nigeria and across border and is committed to assisting in the fight against Bribery & Corruption.
- 1.2. This Anti-Bribery & Corruption Policy (the "**Policy**") supersedes all other existing BUA policies relating to Bribery & Corruption and outlines the obligations of the Company and its employees to adhere to and maintain BUA's unwavering stance against Bribery & Corruption. It also serves as a valuable resource for information and direction aiding in the resolution of Bribery & Corruption related matters.

## 2. POLICY STATEMENT

- 2.1. It is BUA's policy to conduct its business with the highest standard, in an honest and ethical manner. We firmly believe that Bribery & Corruption have no place in our Company and the broader business community. BUA takes a zero-tolerance approach to Bribery & Corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships. It is the goal of BUA to avoid acts which might adversely impact the integrity and reputation of the Company. To that end, BUA has established this Policy to outline the Company's unwavering commitment to preventing Bribery & Corruption in all its business activities.
- 2.2. Persons involved in corrupt activities may be fined or sentenced to imprisonment. Further, if BUA or any of its employees or associated persons (e.g., contractors, agents, or subsidiaries etc) is found to have taken part in bribery or corruption, BUA could face an unlimited fine, and/or serious reputational damage within Nigeria and across borders. Therefore, BUA takes its legal responsibilities very seriously.
- 2.3. BUA is committed to upholding all laws relevant to countering Bribery & Corruption in all jurisdictions it operates. The Company's employees and associated persons will be bound by the most stringent requirements of these laws in respect of their conduct in all jurisdictions they operate.
- 2.4. The purpose of this Policy is to:
  - 2.4.1. set out the responsibilities of BUA, and all individuals who work for it, in observing and upholding the Company's zero tolerance position on bribery and corruption; and
  - 2.4.2. provide high-level information and guidance to the employees and directors of BUA on how to recognise and deal with bribery and corruption issues in the Company.

## 3. APPLICATION OF THE POLICY

- 3.1. The Policy applies to all directors, officers, employees, consultants, and contractors of BUA. Compliance with this Policy constitutes terms of service for each director, conditions of employment for each officer and employee, and conditions of providing services to BUA for each service provider, consultant and contractor. Each such person

agrees to be bound by the provisions of this Policy upon notification of the most recent copy being given to them or upon notification that an updated version has been placed on BUA's website.

The tone at the top of any organisation sets the ethical and moral compass for all others to follow. As a result, the key management of BUA is committed to eradicating bribery, corruption and other forms of economic crime and is committed to ensuring that the Company strives to be ethical in all its dealings with the public and other interested parties.

In this respect, key management, under the guidance of the Board of directors of BUA will ensure that it does not become complacent in dealing with bribery, corruption and economic crime.

- 3.2. This Policy extends across all the Company's business dealings irrespective of the Country and in all countries and territories in which the Company operates. All persons covered by this Policy, in discharging their duties on behalf of BUA, are required to comply with the laws, rules and regulations applicable in the location in which BUA is performing business activities, and with respect to Anti- Bribery & Corruption laws, rules and regulations. Where uncertainty or ambiguity exists, please contact the Company Secretary/Chief Legal Officer of the Company.
- 3.3. This Policy also applies to all businesses undertaken by BUA where it is required to identify and undertake due diligence with respect to customers' relationships for Anti-Money Laundering purposes. This Policy does not intend to discourage any department from engaging in activities that may be classified as high risk but ensures that such relationships can be engaged in a manner that safeguards the integrity and reputation of the Company.

#### 4. DEFINITIONS

4.1. For purposes of this Policy, the following definitions of key terms shall apply:

4.1.1. **Act of Dishonesty** involves a lack of integrity and includes stealing, lying, cheating, fraud, theft, and criminal activity.

Example: an employee consistently recording false overtime hours.

4.1.2. **"Bribe"**

- a) A bribe is an inducement or reward offered, promised, or provided to gain any commercial, contractual, regulatory, business or personal advantage.
- b) An inducement is something which helps to bring about an action or desired result.
- c) A business advantage means that a party is placed in a better position (financially, economically, or reputationally, or in any other way which is beneficial) than its competitors or than it would otherwise have been had the bribery or corruption not taken place.

d) A bribe may be in the form of any of the following: tips, stock options, cash or cash equivalents (gift cards or gift cheques), payment for trips or meals, favours (including offers of employment or internships for an employee or employee's relative), business opportunities. Please note that this list is not exhaustive.

4.1.3. **"Corruption"** includes bribery, fraud, embezzlement, misappropriation of funds, money laundering, extortion, forgery, theft, racketeering, and other related offences.

4.1.4. **"Fraud"** consists of the unlawful and intentional making of a misrepresentation which causes actual prejudice, or which is potentially prejudicial to another.

Example: taking signed cash cheques of the employer and cashing the proceeds for one's own use, instead of using the money for its intended purpose.

4.1.5. **"Forgery"** is a specie of fraud. Forgery is the unlawful and intentional making of a false document which causes actual or potential prejudice to another.

Example: signing a document purporting to be someone other than yourself.

4.1.6. **"Embezzlement"** is a crime of fraudulently making money or acquiring property by someone who was entrusted with it.

Example: a finance personnel diverting a portion of the company's funds into his personal account and creating fake transactions or invoices to cover up the embezzled amount.

4.1.7. **"Theft"** taking someone else's property unlawfully with the intent to permanently deprive the person of that property.

Example: taking the Company's property to one's place of abode for permanent use.

4.1.8. **"Detrimental Treatment"** refers to dismissal, disciplinary action, threats, or unfavourable treatment in relation to concern(s) raised.

Example: mistreating a staff/supplier or subjecting him/her to unwarranted disciplinary action or scrutiny because of a concern raised or his/her whistleblowing activities.

4.1.9. **"Racketeering"** is a crime that involves dishonest and fraudulent business dealings.

Example: If an individual or organization uses drug-trafficking proceeds to purchase the Company's products. In addition, if an employee is aware but fails to report such unlawful act because he/she has been paid, such employee is encouraging racketeering.

4.1.10. **"Extortion"** is committed when a person unlawfully and intentionally obtains some advantage from another person, which may be of a monetary or non-monetary nature, by subjecting that other person to pressure which induces him/her to hand over the advantage.

Example: threatening to discontinue using a supplier's service unless they pay over an amount of money.

- 4.1.11. **"Third party"** means any individual or organisation with whom you may come into contact during your work for BUA, and includes actual and potential customers, suppliers, vendors, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians, politically exposed persons (PEPs), and political parties.
- 4.1.12. **"Gift"** means money, goods, services, or loans given ostensibly as a mark of appreciation or friendship. A gift is supposedly given without expectation of consideration or value in return. A gift may be used to express a common purpose and the hope of future business success and prosperity. It may be given in appreciation of a favour done or a favour to be carried out in the future.
- 4.1.13. **"Hospitality"** includes entertainment, meals, receptions, tickets to entertainment, participation in sport events, social or sports events, such activities being given or received to develop relationships between businesspeople.
- 4.1.14. **"Associated entities"** means subsidiaries, agents, intermediaries, business partners, contractors, or suppliers (individuals or organizations), i.e. other organizations or individuals that the Company has business dealings with.
- 4.1.15. **"Anti-Bribery Laws"** includes all anti-bribery, anti-corruption and anti-money laundering laws, regulations and/or policies of Nigeria, including the Economic and Financial Crime Commission (EFCC) Act (2004); The Corrupt Practices & Other Related Offences Act (2000); and Nigerian Money Laundering (Prohibition) Act, 2011 (as amended) amongst others.
- 4.1.16. **"International Anti-Bribery Law"** includes laws such as the United Kingdom of Great Britain and Northern Ireland (UK) Bribery Act (2010) as amended, the organisation for Economic Co-operation and Development (OECD) Convention, the United States Foreign Corrupt Practices Act (1977) as well as the laws of all other jurisdictions where the Company conducts business. The UK Bribery Act and US FCPA, for example, are laws which can have extraterritorial, far-reaching effects.

## 5. ANTI-BRIBERY AND CORRUPTION STANDARDS

- 5.1. It is prohibited for BUA or its directors, officers, employees, suppliers, service providers or contractors to:
- a) give, promise to give, or offer, a payment, gift, or hospitality to a third party or otherwise engage in or permit a bribery offence to occur, with the expectation or hope that an advantage in business will be received, or to reward a business advantage already given.
  - b) give, promise to give, or offer a payment, gift, or hospitality to a third party to "facilitate" or expedite a routine procedure.

- c) accept a payment, gift, or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by the Company in return or maybe used to exert improper influence.
- d) threaten or retaliate against another employee or worker who has refused to commit a bribery offence or who has raised concerns under this Policy.
- e) engage in any activity that might lead to a breach of this Policy.

5.2. Non-compliance with this Policy may result in criminal or civil penalties which will vary according to the offence. An employee acting in contravention of the Policy will also face disciplinary action up to and including summary dismissal.

## 6. **RED FLAGS**

6.1. The following is a list of "red flags" that may indicate the possible existence of corrupt practices and should be kept in mind by those subject to this Policy:

- a) Unusually large payments where the agent does not appear to have provided significant services.
- b) Cash payments, or payments made without a paper trail or without compliance with normal internal controls.
- c) Unusual bonuses to personnel for which there is little or no supporting documentation.
- d) Payments to be made through third party countries or to offshore accounts.
- e) Private meetings requested by public contractors or companies hoping to tender for contracts.
- f) Not following BUA policies or procedures – abusing the decision-making process.
- g) Unexplained preferences for certain sub-contractors.
- h) Invoices rendered or paid more than contractual amounts.

6.2. This list is not exhaustive, and you should be alert to other indicators that may raise a suspicion of corrupt activity.

## 7. **GIFTS AND HOSPITALITY**

### 7.1. **Purpose**

At BUA, we recognize the potential risks associated with the offer or receipt of gifts and hospitality. Such gestures can be misconstrued as attempts to influence decision-makers inappropriately or compromise the integrity of the Company. To maintain transparency and uphold ethical standards, this section of the policy outlines acceptable practices regarding gifts and hospitality.



## 7.2. **Acceptable Gifts and Hospitality**

BUA strictly prohibits the offering or receiving of any gift or hospitality that may be perceived as attempting to unduly influence a business decision or compromise the Company's integrity. However, gifts, entertainment, and hospitality are permissible if they adhere to relevant BUA policies.

Gifts falling within the following categories are deemed acceptable:

1. **Items of Nominal Value:** This includes inexpensive amenities like pens, snacks, promotional items, and ceremonial awards, provided the total costs or value of the items shall not exceed \$50 dollars based on the prevailing exchange rate to Naira.
2. **Ordinary Business Meals and Entertainment:** Reasonably priced meals to discuss business are acceptable, while excessive costs or social occasions are not.
3. **Company-Sponsored Events:** Attendance at business partner-sponsored events is allowed if the primary purpose is conducting business and the value is reasonable.
4. **Contractually Provided Benefits:** Benefits provided by contracts with suppliers or customers are acceptable and should be used in BUA's best interest.
5. **Payments to External Parties:** In certain jurisdictions where such payments are standard practice, such fees may be acceptable if they are legal, properly documented, and do not violate any anti-corruption laws or company policies.

## 7.3. **Unacceptable Gifts and Hospitality**

Any gift, entertainment, or hospitality falling within the following categories is deemed unacceptable irrespective of their cost or value.

1. Given in expectation of reciprocal valuable gifts.
2. Used to incentivize favouritism towards specific suppliers or business partners.
3. Given to influence improper performance of duties.
4. Exceeding stipulated value as provided in the acceptable gifts and hospitality section above.
5. Repeatedly exchanged or sought after by the same individual.
6. Creating or likely to create a conflict of interest.
7. Would cause embarrassment if disclosed to the public.

## 7.4. **Hospitality**

Hospitality may be accepted/provided for legitimate business purposes, such as building goodwill and enhancing relationships with customers, vendors, and business partners.

The following types of Hospitality (whether being provided or received) are never appropriate:

1. Hospitality that can be viewed as excessive in the context of the business occasion.
2. Hospitality that is prohibited by law.
3. Indecent or immoral hospitality.
4. Hospitality that is prohibited by the giver/recipient's organization.

## 8. **FRAUD, THEFT AND OTHER ECONOMIC CRIME**

The Company prohibits all forms of corruption and economic crimes such as fraud, theft, extortion, forgery, embezzlement, money laundering, racketeering, bribery and corruption, and it will not tolerate the persons to whom this Policy is applicable, being involved in such activities.

## 9. **RESPONSIBILITIES UNDER THE POLICY**

- 9.1. All directors, officers, employees, consultants, and contractors of BUA are responsible for carrying out their duties in an ethical manner and in accordance with the principles outlined in this Policy.
- 9.2. All employees are expected to read, comprehend and adhere to the content of this Policy, as well as any provided training or other materials relating to Anti-Bribery and Anti-Corruption.
- 9.3. All employees of BUA must be made aware of this Policy document by the Company. Employees must do well to attend any town hall meeting convened for the purpose of sensitising them of the Policy. Also, BUA may sensitise heads of units who would in turn pass it down to their Team members.
- 9.4. The prevention, detection and reporting of bribery offences and other forms of corruption are the responsibility of all those working for BUA or under its control. All such persons are required to avoid any activity that might lead to, or suggest, a breach of this Policy.
- 9.5. All directors, officers, employees, consultants, and contractors of BUA must notify the Company Secretary/Chief Legal Officer of BUA upon being aware of any breach of this Policy or likely breach of this Policy.
- 9.6. If you are asked to make a payment on the Company's 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 Company Secretary/Chief Legal Officer, wherever possible, prior to taking any action.
- 9.7. BUA guarantees that no individual shall suffer any detrimental treatment as a result of refusing to accept or offer a bribe or other corrupt activities or because such individual reported a concern relating to potential act(s) of bribery or corruption. Where the individual believes that he/she has been subjected to any form of ill treatment as a

result of a concern or refusal to accept a bribe, the Company Secretary/Chief Legal Officer should be immediately notified.

#### **10. ASSOCIATED ENTITIES**

- 10.1. It is a violation of the Policy to make any corrupt payments through any subsidiaries, agents, intermediaries, business partners, consultants, contractors, or suppliers (individuals or organizations) of BUA ("Associated Entities") or to make any payment to a third party where there is any reason to believe that all or a portion of the payment will go towards a bribe.
- 10.2. The relationship with agents and other intermediaries must be fully documented using the Company's standard terms and conditions for appointment, which shall include compliance with the Policy and prohibit Associated Entities from making or receiving any bribes on the Company's behalf.
- 10.3. Compensation paid to Associated Entities must be appropriate and justifiable and for the purpose of legitimate services rendered.
- 10.4. Associated Entities are required to keep proper books and records available for inspection by its auditors and/or investigating authorities.

#### **11. TRAINING AND AWARENESS**

BUA shall provide new employees with the necessary training on this Policy, as part of the induction process. BUA shall provide regular training and awareness programs to ensure that all employees and relevant stakeholders understand their responsibilities and the potential risks associated with bribery and corruption. Employees will also receive regular training on how to adhere to this Policy.

#### **12. DOCUMENTATION AND RECORD-KEEPING**

- 12.1. BUA will be required to develop, implement, monitor and maintain a system of internal controls to facilitate compliance with this Policy, as well as to foster a culture of integrity and maintain high ethical standards throughout the Company.
- 12.2. BUA must keep annual reports for each financial year and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 12.3. All transactions must be executed in accordance with management's general or specific authorization. Transactions must be recorded as necessary to permit preparation of financial statements in compliance with relevant laws.
- 12.4. All business partners of the Company will be required to show evidence of compliance with this Policy.
- 12.5. The Company will maintain and keep available for inspection accurate books and records that fairly document all financial transactions, risk assessments and due diligence.
- 12.6. All expenses incurred to third parties relating to hospitality, gifts or expenses must be submitted in accordance with the relevant BUA policies and the reason for the expenditure must be specifically recorded.

### 13. **DUE DILIGENCE**

In order to mitigate the risk of violating Anti-Corruption laws, it is essential to conduct and thoroughly document a proper due diligence assessment on proposed business partners (as much as possible and as required) including suppliers, contractors, agents and consultants to assess their commitment to Anti-Bribery and Anti-Corruption principles.

### 14. **DISCLOSURE PROCEDURE**

BUA encourages all employees and stakeholders to disclose any suspected or actual instances of bribery and corruption.

#### 14.1. **REPORTING CONCERNS**

Where you have concerns about a colleague and/or other agent or representative of the Company regarding the giving or receiving of Gifts and Hospitality, please communicate them by sending an email to the Company Secretary @hauwa.satomi@buacement.com and copy the Managing Director @yusuf.binji@buacement.com.

Similarly, for issues related to bribery and corruption, please send an email to the Company's official whistleblowing channel as reflected on the Company's website - whistleblower@buacement.com.

These reporting services are accessible to employees, vendors, and business partners allowing them to raise concerns confidentially without fear of retaliation. The Company prohibits retaliation against any complainant who reports in good faith. Appropriate disciplinary action will be enforced against any retaliation. All concerns will be taken seriously, investigated thoroughly and confidentially, to safeguard the identity of the complainant.

#### 14.2. **PROTECTION**

Persons who refuse to engage in or permit a bribery offence, or who raise legal or ethical concerns or report another's wrongdoing, are sometimes worried about possible repercussions. BUA 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. No directors, officers, employees, consultants and contractors of BUA will suffer demotion, penalty, or other adverse consequences for refusing to engage in or permit a bribery offence or for raising concerns or for reporting possible wrongdoing, even if it may result in the Company losing business or otherwise suffering a disadvantage.

14.3. All directors, officers, employees, consultants, and contractors of BUA are mandated to comply with the Whistle Blowing Policy which provides procedures for reporting violations of laws, rules, regulations or BUA's corporate policies.

15. **COMMUNICATION**

This Policy will be communicated to all directors, officers, employees, consultants, contractors and stakeholders. It will also be made publicly available on our Company's website.

16. **CONSEQUENCES FOR NON-COMPLIANCE**

Breaches of this policy will result in appropriate disciplinary action, which may include suspension, dismissal for gross misconduct, legal action, penalties, and termination of employment or contractual relationships.

BUA reserves its right to terminate its contractual relationship with any individual or entity that violates this Policy.

17. **MONITORING**

17.1. The Company Secretary/Chief Legal Officer, the Head of internal Audit and the Human resources Directors of the two plants will monitor the effectiveness and review the implementation of this Policy, considering its suitability, adequacy and effectiveness. Any deficiencies identified will be rectified as soon as possible.

17.2. Internal control systems and procedures will be subject to audits to provide assurance that they are effective in countering bribery and corruption.

17.3. All directors, officers, employees, consultants and contractors of BUA are responsible for the successful implementation of this Policy and should ensure they follow the procedures set out herein to disclose any suspected wrongdoing.

17.4. All directors, officers, employees, consultants and contractors of BUA are invited to comment on this Policy and suggest ways in which it might be improved. Comments, suggestions and queries on this Policy should be addressed to the Company Secretary/Chief Legal Officer.

18. **REVIEW AND UPDATES**

This policy will be reviewed and updated as necessary to ensure it remains relevant and effective in maintaining the integrity and ethical standards of BUA.

**IF YOU BECOME SUSPICIOUS OF ANY ACTIVITY INDICATING CRIMINAL BEHAVIOUR INCLUDING BUT NOT LIMITED TO CORRUPTION, YOU ARE REMINDED OF YOUR OBLIGATIONS AND RESPONSIBILITIES TO REPORT YOUR SUSPICIONS IMMEDIATELY.**

**FOR CONCERNS RELATED TO GIFTS AND HOSPITALITY, EMAIL THE COMPANY SECRETARY/CHIEF LEGAL OFFICER AND COPY THE MANAGING DIRECTOR/CEO.**

**FOR ISSUES RELATED TO ANTI-BRIBERY AND CORRUPTION, SEND AN EMAIL TO THE FORMAL WHISTLEBLOWING EMAIL HOSTED ON THE COMPANY'S WEBSITE.**