

ABH PARTNERS PLC

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Knowledge. Synergy. Impact.

POLICY NAME	Anti-Fraud and Anti-Corruption (AFAC) Policy			POLICY NO.	1
EFFECTIVE DATE	December 1 2025	DATE OF LAST REVISION	February 2022	VERSION NO.	3
ADMINISTRATOR RESPONSIBLE	Ethics and Compliance Officer		CONTACT INFORMATION	T. +251 116 186 520	

VERSION HISTORY				
VERSION	APPROVED BY	REVISION DATE	DESCRIPTION OF CHANGE	AUTHOR
1	Approved by CEO	6/20/2020	First version	HR
2	Approved by CEO	2/26/2022	Second Version, more elaborate and specific with definitions	Business Development Officer
3	Approved by CEO	11/12/2025	Added the UN requirements	Business Development Officer



1 General

Fraudulent and corrupt behavior can seriously damage ABH Partner's (ABH) reputation in the market place and diminish the client's trust in our ability to deliver results in an accountable and transparent manner. To combat fraud and corruption, most of the countries in which ABH conducts business, have enacted Fraud and Corruption Prevention laws and regulations. Pursuant to such laws and regulations, it is a crime to give, pay or promise "Anything of Value" in order to influence an act or a decision to obtain, retain and/or secure an improper advantage of any kind.

2 Acknowledgement

Employees/ consultants will acknowledge the acceptance of this Policy by signing a 'Declaration' form annexed towards the end of this Policy.

Failure to acknowledge this Policy may result in ceasing of benefits accorded to an employee/ consultant of ABH including annual appraisals and/or revocation of employment/ agreement with ABH Partners.

3 Purpose and Guideline.

The Anti-Fraud and Corruption Policy (hereinafter referred to as "the Policy") sets forth ABH Partner's universal standards regarding the prevention of fraud and corruption. It outlines acceptable and non - acceptable behaviour to ensure compliance with the anti-corruption laws; domestic and foreign. If local laws or regulations establish stricter requirements, we will comply with such stricter requirements.

Such law is guided by UNDP Internal Integrity Standards and UN Global Compact. The 10th Principle of the Global Compact explicitly states that businesses should work against corruption in all its forms and enforce strict internal rules:

- **Zero Tolerance:** Any established act of fraud or corruption results in disciplinary action, which may include summary dismissal for staff or termination of contracts for vendors.
- **Mandatory Training:** All staff must complete regular ethics and anti-corruption training to recognize "red flags" and understand reporting obligations.
- **Conflict of Interest:** Personnel are required to disclose any private interests that could interfere with their official duties.
- **Whistleblower Protection:** The Policy for Protection against Retaliation protects individuals who report misconduct from any form of professional penalty

4 Definitions

- 4.1 **Fraud.** Fraud is defined as an act of intentional misrepresentation of facts that misleads, or attempts to mislead, to obtain a financial or other benefit or to avoid an obligation. The attempted fraud is as serious as accomplished fraud. Actions constituting fraud include but not limiting to, the following:

- 4.1.1 **Forgery or unauthorized alteration of any documents**, making false statements / representations to obtain a financial or other benefit to which a person / ABH is not entitled
- 4.1.2 Usurpation of Company's interest for personal gains
- 4.1.3 Offering or receiving something of value to improperly influence procurement process
- 4.1.4 Willful suppression of facts/ deception in matters of appointment as a result of which wrongful gain(s) is/ are made to one and wrongful loss to other(s)
- 4.1.5 Asking for or receiving personal gains in return for showing favour to a candidate in a recruitment process
- 4.1.6 Collusion with other participant(s) during tendering process
- 4.1.7 Destruction, disposition, removal of records or any other assets of the Company.

4.2 Anything of Value

“Anything of Value” covers just about any form of benefit, which includes, but is not limited to:

- 4.2.1 Cash or cash equivalents (gift vouchers, etc.), loans, gifts, prizes
- 4.2.2 Employment offers or promises of future employment (to an individual or any of his/her kith/kin)
- 4.2.3 Entertainment/ hospitality (payment of travel, hotel or restaurant bills, cost of trips, resort stays)
- 4.2.4 Discounted or free tickets to events
- 4.2.5 Personal favors

4.3 Corruption

Corruption is abuse of public office for private gain. Corruption is said to be committed by any person who directly or indirectly:

- 4.3.1 Accepts or agrees to accept any gratification from any other person whether for the benefit of himself or herself or for the benefit of another person;
- 4.3.2 Gives or agrees to give to any other person any gratification, whether for the benefit of that person or for the benefit of another person, in order to act, personally or by influencing to act, in a manner that amounts to:
- 4.3.3 Illegal, dishonest or unauthorised accumulation of information
- 4.3.4 Abuse of position or authority
- 4.3.5 Breach of trust
- 4.3.6 Any other improper inducement to do or not to do anything.



4.4 Bribery

Bribery means directly or indirectly giving or offering anything of value for the purpose of obtaining or retaining business, to win a business advantage and/ or influence a decision regarding ABH Partners (obtaining licenses, regulatory approvals, avoiding duties or blocking a competitor from bidding for business).

4.5 Facilitation Payment

Facilitation payment is a small payment given to a person (or government official) designed to secure or expedite a routine (government) action by the said person. For example, small payment(s) to schedule an inspection or get utilities such as power or phones connected would generally be considered as facilitation payment. It is to be noted that facilitation payment is not intended to affect the result of a decision making process but to speed up a scheduled action.

5 Scope

This policy applies to the entire ABH Partners workforce involving employees (including those on contract), subcontractors, suppliers, sub-consultants and/or any other parties having business relations with ABH Partners. Also, this policy applies to all operations, dealings and transactions in all countries where ABH Partners operates.

The policy also covers the receipt of bribe by or for the benefit of, an ABH Partners staff member.



6 Policy

6.1 Policy Statement

ABH Partners' long standing commitment in doing business with integrity means avoiding fraudulent and corrupt means, in any form including bribery and complying with fraud and corruption prevention legislations of every country in which we operate.

ABH Partners prohibits any inducement that 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 ABH Partners or of the person or body employing them or whom they represent. This includes facilitation payments.

6.2 Policy Details

The ABH Partners Anti-Fraud and Anti-Corruption Policy is an important part of ABH corporate governance, establishing the framework for preventing, identifying, reporting and effectively dealing with fraud and other forms of corruption.

6.2.1 Gifts, Entertainment and Hospitality.

As a general rule, employees including subcontractors and/or members of their immediate families (spouse, mother, father, son, daughter, brother or any of these step- or in-law relationships, whether established by blood or by marriage) should not offer, solicit or accept cash or its equivalent, gifts, entertainment or anything of value to or from government officials, other clients, suppliers or others with whom ABH Partners does business or is trying to do business.

This Policy does not prohibit normal and appropriate gifts, hospitality, and promotional or other similar business expenditure, such as corporate calendars, diaries and pens. However, the key determining factor for appropriateness of the gift or hospitality and/or its value would be based on facts and circumstances under which such gift or hospitality is provided.

The practice of giving gifts and hospitality is recognised as an established and important part of doing business. However, it is strictly prohibited when they are used as bribes. Giving gifts and hospitality varies between countries and what may be normal & acceptable in one country may not be so in another. To avoid committing bribery offence, giving gift or hospitality is acceptable under this Policy only if all the following requirements are met:

It is permitted by local laws, regulations and the recipient's organisational policies (as applicable)

It does not include cash or a cash equivalent (such as gift certificates or vouchers)

It is appropriate in the circumstances. For example, in Ethiopia, it is customary for small gifts to be given during Ethiopian New Year and Ethiopian Christmas (refer examples of token gifts, below)

It is given openly and transparently, not secretly and in a manner that avoids the appearance of impropriety

It is intended to improve the image of ABH Partners, better present its services or establish cordial relations

It is not made with the intention of influencing an individual (or government official) to obtain a business advantage or in explicit or implicit exchange for favours/ benefits or for any other corrupt/ fraudulent purpose.

Examples of Token Gifts: Corporate calendar, planners, diary, pens, mugs, greeting cards, bouquet of flowers, confectionery or fruits.

What is not Acceptable?

It is not acceptable for any employee of ABH Partners (or someone on his/ her behalf) to:

- Accept an offer of a gift of any size from any individual or supplier which is in negotiation with or is submitting a proposal (including an offer for providing consultancy services) with ABH Partners.
- Give, promise to give or offer, any payment, gift, hospitality or advantage with the expectation or hope that a business advantage will be given or received or to reward a business advantage already given.
- Give, promise to give or offer, any payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure.
- Threaten or retaliate against, another employee who has refused to commit a bribery offence or who has raised concerns under this Policy
- Engage in any activity that might lead to a breach of this Policy

Threshold Limits: The value of gift(s) received from an individual should be less than 500.00 (Ethiopian Birr Five Hundred only) or such greater or lesser amount as the Director A & F will notify in writing, as applicable, from time to time.

Notification: If an employee of ABH Partners receives a gift that has a value equal to or greater than Threshold Limit and which directly or indirectly relates to his/her employment with ABH Partners (whether from any of ABH Partners’ suppliers, business partners, customers, competitors or any others), an employee is duty bound to declare the receipt of gift to the Director A & F, within three business days following the receipt of the gift.

6.2.2 Facilitation Payment

ABH strictly prohibits disbursement and acceptance of “Facilitation Payments” of any kind.

6.2.3 Commercial Bribery

Just as we strictly prohibit fraudulent and corrupt means including bribery when dealing with our clients including Government Officials, we also prohibit the bribery of private persons or entities.

Examples:

- • Alemu, a business development manager, invites an important existing client to attend a football match as part of a public relations exercise designed to cement good relations and enhance the client’s knowledge of our services. Is this acceptable?
 - Yes. This hospitality seems to be reasonable and justifiable in all the circumstances and the intention is to improve ABH Partners’ image, better present our services and improve cordial relations.
- Tesfaye invites a potential client to a fine dining a week before the deadline for RFP opening, which he hopes to secure in order to persuade them to accept his company’s RFP. Is this acceptable?
 - No. This hospitality would constitute bribery as it would be made with the intention of influencing the potential client to obtain business. The timing is important. If there was no RFP deadline, you may be able to entertain the potential clients without breaching the law. This is because the intention of the hospitality would be then to improve the Company’s image, better present the services and establish cordial relations with the potential client.
- A potential sub-contractor delivers a case of expensive wine to Mulu, a week before Mulu has to make a decision on the awarding the work. Can Mulu accept the gift?
 - No. The gift appears to have been made with the clear intention of influencing Mulu to award the work to the sub-contractor. Mulu should return the case of wine explaining that she cannot accept the gift and Mulu should assess the quote for the supply of services impartially with quotes obtained from other sub-contractors.
- A supplier offers a five-day holiday package to Thailand to Feven, Department Head as a token of his appreciation for a contract awarded to the supplier. Can Feven go?
 - No. Taking into account the reason for the gift, the holiday package is unreasonable in such circumstances. Feven should politely decline the gift and explain that she cannot accept such an offer.

7 Roles and Responsibilities

7.1 Chief Executive Officer.

As the custodian of ABH Partners **Anti-Fraud and Corruption Policy**, the CEO approves the Policy and its subsequent revisions.

7.2 Ethics and Compliance Officer (ECO)

The Ethics and Compliance Officer is responsible for implementation of this Policy and is accountable for establishing and maintaining ethical culture and monitoring obligation under this Policy. ECO is also responsible for approving disciplinary action.



7.3 Department Heads / Managers

Department heads/ managers are required to take active steps to prevent and detect fraud, misappropriation and other irregularities within their service areas through compliance with relevant corporate policies and procedures. Department heads/ managers are required to promote the awareness of the Policy and ensure that employees, suppliers and/or consultancy subcontractors for which they are responsible, are aware of, understand and adhere to this policy.

7.4 Individual Staff Member

Each ABH Partners staff member must realize that fraud and corrupt practices, whatever its extent and form, is contrary to the standards of conduct expected of them at ABH Partners. Each employee must sign an acknowledgement form having read and understood the policies and must comply with ABH Partners' policies and procedures including HR policies, to be aware of any possibility of fraud and corruption and to report any genuine concerns to ECO.

7.5 Sub-contractors / suppliers / consultants

Subcontractors as well as employees of companies doing business with ABH Partners are obligated not only to interact honestly in the provision of services for ABH Partners, but also report allegations of fraud and corruption to ABH Partners.

7.6 Nodal Officer/Ethics and Compliance Officer

The management of ABH Partners has appointed ECO for the purpose of conducting preliminary investigations on report(s) of Fraud and Corruption. Any reported fraudulent or corrupt activity will be initially investigated by Nodal Officer as per the laid down procedure below.

8 Prevention of Fraud and Corruption

Fraudulent and corrupt practices are contrary to ABH Partners' core values. ABH Partners recognizes the adverse effect that such practices could have on its services and operations; and is committed to preventing them and taking robust action where they are found to occur. The following measures shall be taken to prevent fraud and corruption:

8.1 Awareness Training

To ensure that all employees are aware of their responsibilities regarding preventing fraud and corruption, a plan for dissemination and awareness of this Policy among all employees of ABH Partners is critical. In this regard, Human Resources (HR) personnel should reiterate the duty of all staff members of ABH Partners to report acts of fraud and corruption, as required by this Policy including HR policies. Fraud and corruption prevention awareness may include training on topic of "Fraud & Corruption Detection and Prevention". Awareness training/ other relevant training programmes will be coordinated by HR.



8.2 Preventing Conflict of Interest (CoI)

Conflict of Interest (CoI) occurs when an employee's or other staff member's private interests such as outside professional relationship or personal financial assets interfere with performance of his/her duties as an ABH representative. CoI can be Actual or Potential, as briefed below:

- **Actual CoI** ~ Private interests interfere with official responsibilities.
- **Potential CoI** ~ There is a reasonable perception that private interests may interfere with official responsibilities

As an ABH Partners' representative, it is important to preserve fairness and independence of official decision making, at all times. CoI situations do not necessarily indicate corruption or wrongdoing. However, if not managed appropriately, such situation can compromise a professional integrity or may lead to potential fraud situation.

Employees having fiduciary responsibilities – such as procurement should disclose to appropriate person (preferably his / her line manager) private interests, past, present and future relationship that may result in actual or potential CoI. Such disclosures will enable the managers to advise their team members on steps to appropriately manage risks through recusals, transfer of duties, etc.

Refer to **Conflict of Interest Policy** for further detail.

8.3 Screening during Recruitment

Integrity lays the foundation of ABH Partners' core values. Consequently, ABH Partners identifies integrity as a paramount consideration in selection and recruitment of staff members. HR shall ensure that specific assessment tools for integrity, background and academic checks are deployed. Additionally, HR shall ensure that prospective employees are aware of and declare any family or spousal relationships which may lead to potential CoI (unable to render impartial assistance or advice) during the course of job activities.

9 Reporting Fraudulent and Corrupt Activities

Staff members and other personnel are duty bound to report information of discovery of fraud or suspected fraud or corrupt activities or any bribery issue involving ABH Partners' staff members including subcontractors at the earliest possible stage.

All reports/ allegations of fraudulent and corrupt practices should be made in writing, in according to the **Whistle-blower Policy and Procedure**.

ABH has put in place **Whistle-blower Policy and Procedure**. Please refer to this policy as to what the Policy contains and how the process is conducted.

10 Disciplinary Action

Fraud and corruption constitutes serious misconduct for which, where involvement is established, a staff member including subcontractors may be subjected to disciplinary action, up to and including termination. In addition, ABH Partners shall seek to recover monetary compensation



from staff member/ subcontractors for any financial loss to the Company resulting from fraudulent and corrupt activity.

11 Protection against Retaliation for Reporting

ABH Partners will not tolerate any attempt to deter anyone from reporting suspicions of fraud and/or corruption or incidents of repercussions/ victimisation against anyone who, in good faith, reports a concern or cooperates with a compliance investigation even when allegations are found to be unsubstantiated. Any employee of ABH Partners who retaliates against another employee in violation of this Policy is subject to disciplinary action, upto and including termination. This also includes attempts to deter anyone from reporting suspicions of fraud and/or corruption.

Also, where allegations made by any employee/ individual turns out to be false and made with malicious/ frivolous intent, employee/ individual who made such allegations will be subjected to disciplinary action, up to and including termination.

12 Governing Legislations

All national laws relating to fraud, bribery and corruption, especially such laws that are in place in jurisdictions where ABH Partners has office(s) or carries out its work, are of importance to the Company. In setting out the principles included in this Policy, particular importance has been given to the requirements of:

1. Ethiopia: Federal Ethics and Anti-Corruption Commission Establishment Proclamations (Anti - Corruption Law)

<http://www.feac.gov.et/index.php/downloadables-en>

13 Policy Revisions

Any revisions in this Policy including amendments or changes under respective clauses will be duly notified to employees through email communication. Also, such revised Policy or notification/ circular/ internal communication on such revisions will be updated in the HR Section. The employee shall be deemed to have read, understood and acknowledged the changes thereof which



Annexure A

Examples of Potential Fraudulent or Corrupt Practices

- _ Theft of equipment (laptop, hard drive – external and internal, compact disk (CD), pen drive, etc.)
 - _ Improper use of the ABH Partners’s official seal
 - _ An excessive claim for expenses or allowances
 - _ Payment of salary or wages to a fictitious employee
 - _ False work attendance record or timesheet
 - _ Not recording leave taken or false classification of leave
 - _ Acceptance of offers, receiving or offering bribes for preferential treatment
 - _ Payment for work not performed
 - _ Making or using forged credentials and endorsements
 - _ Altering amounts and details on documents
 - _ Writing off recoverable assets or debts
 - _ Unauthorised transactions
 - _ Selling information
 - _ Unrecorded transactions
 - _ Transactions (expenditure/receipts/deposits) recorded for incorrect sums
 - _ Cash stolen or borrowed without authorisation
 - _ Manipulation of the procurement process, including undisclosed conflict of interest
 - _ Unauthorised transactions with related parties
 - _ Damaging or destroying documentation
 - _ Misusing copies of records and receipts
 - _ False invoicing, including using imaging and desktop publishing technology to produce false original invoices charging incorrect accounts in order to misappropriate funds
 - _ Over claiming expenses
 - _ Running a private business with official assets
 - _ Inappropriate or unauthorised use of computer-generated signatures
 - _ Downloading confidential information and forwarding this to an unauthorised party
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- Presentation of false documentation or statements about personal past experience, education or certificates/diplomas
- Inappropriate use of assets for personal purposes
- Use of information for personal gain or advantage
- False declaration and failure to reimburse the organisation

Note: The above list is not exhaustive and not all instances will, upon investigation, be proven to be fraud or corruption, but it may indicate an area where improved work practices are necessary.



Acknowledgement of Receipt and Understanding of Anti-Corruption and Anti-Fraud Policy

This is to confirm that I have received a copy of the Anti-Corruption and Anti-Fraud Policy ABH Partners.

I acknowledge that I have read, understood, and agree to comply with the principles, policies, standards, and guidelines outlined above. I understand that the Policy represents the organization's expectations regarding professional conduct, integrity, accountability, confidentiality, compliance with applicable laws and regulations, and ethical behavior in all business dealings.

I further acknowledge that:

- I am responsible for adhering to the Policy at all times while representing or performing duties on behalf of the Company.
- I will seek clarification from Management, Ethics and Compliance Officer or the Human Resources if I have any questions regarding the interpretation or application of the AFAC Policy.
- I am obligated to report any known or suspected violations of the Policy in accordance with the Company's reporting procedures.
- Failure to comply with AFAC Policy may result in disciplinary action, up to and including termination of employment or contract.
- I understand that ABH may amend, modify, or rescind any policy or practice, described in this policy, with or without notice, and it is my responsibility to stay informed of such changes.

This acknowledgement does not constitute a contract of employment nor does it alter the terms of my employment agreement.

By signing below, I confirm my commitment to uphold the ethical standards and values of the Company.

Employee Name: _____

Employee Signature: _____

Position/Title: _____

Department: _____

Date: _____