DANGOTE
CEMENT

Dangote Cement Plc
Anti-Bribery and Corruption Policy

Policy History

Version	Year/Approval	Remark
1.0	March, 2015	First version
2.0	April, 2023	Reviewed

This Policy has been reviewed and approved by the Board:

S/N	Name	Designation	Signature
1.0	Aliko Dangote, GCON	Chairman, Board of Directors	
2.0	Emmanuel Ikazoboh	Chairman, Remuneration, Governance and Nomination Committee	
3.0	Ernest Ebi, MFR	Chairman, Board Audit, Risk and Compliance Committee	Ernest Ebi
4.0	Arvind Pathak	Group Managing Director/CEO	

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1. Policy Statement

This document sets forth the anti-bribery, and corruption policy of Dangote Cement Plc ('DCP' or "The Group"). The Group has a zero tolerance to all forms of fraud including but not limited to; bribery and corruption, asset misappropriation and financial statements fraud. The Group will investigate any fraud or suspected fraud without regard to the individuals involved. This policy is part of the overall Anti-Fraud Compliance Programme within the Group.

This policy seeks to align with all relevant Acts, Codes, Laws, Guidelines, Policies, etc. designed to prevent, detect and response to issues of corruption and bribery. These include but not limited to:

- Economic and Financial Crimes Commission (EFCC) Act
- Corrupt Practices and Other Related Offences Act
- Securities and Exchange Commission (SEC)
- Nigerian Customs Agency
- Immigration Act
- CBN Guidelines
- UK Bribery Act 2010
- Foreign Corrupt Practices Act

2. Scope

This policy applies to all Directors, Employees (whether permanent, fixed term or temporary), agents, consultants, vendors, contractors, business partners and any other persons, organizations or bodies doing business with DCP or any of its subsidiaries.

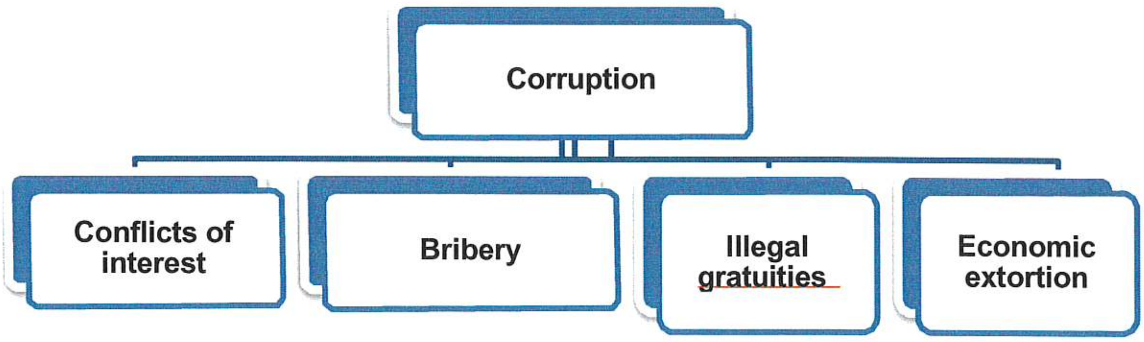
2.1 Purpose

- The purpose of the policy is to establish controls to ensure compliance with all applicable anti-bribery and corruption regulations.
- Promote a positive workplace environment by creating or ensuring a culture of honesty and ethical behavior.
- Disseminate and enlighten all our stakeholders about our zero tolerance attitude to bribery and corruption.
- Facilitate better understanding of roles and responsibilities of stakeholders in dealing with any issue of bribery and corruption.

This policy covers:

- Corruption
- Bribery
- Facilitation Payments and Kickbacks
- Gifts and Hospitality
- Political Contributions
- Charitable contributions
- Fraud

This is summarized by ACFE below:



Source: ACFE 2022 International Fraud Examiners Manual

3. Definitions

a. Corruption is a term used to describe various types of wrongful acts designed to cause some unfair advantage, and it can take on many forms. Generally, corruption refers to the wrongful use of influence to procure a benefit for the actor or another person, contrary to duty or the rights of others - source: ACFE.

b. Bribery

This is defined as the offering, giving, receiving, or soliciting anything of value to influence an official act or business decision - source: ACFE.

c. Facilitation Payment and Kickbacks

Facilitation payments are unofficial payments of any amount made for purpose of expediting or facilitating the performance of processes or actions, usually by public officials. They are used to persuade public officials to carry out a task that they are already obligated to do.

While kickbacks are typically made in exchange for a business favour or advantage.

d. Fraud is any activity that relies on deception in order to achieve a gain. Fraud becomes a crime when it is a "knowing misrepresentation of the truth or concealment of a material fact to induce another to act to his or her detriment".

e. Gifts and Hospitality

Gifts means anything of value given to or received from another person in connection with Dangote Cement PLC but do not include items described below:

- Normal business entertainment

1. Items of minimal value in connections with sales promotions
2. Contributions and donations to recognized charitable institutions
3. Items or services with a total value up to N50, 000 per year.

Hospitality may be any event or entertainment offered to an individual

Most bribery and corruption schemes begin with gifts. Commonly, encountered items include:

1. Wine and Liquor
2. Clothes and Jewelry
3. Sexual Favour.
4. Lavish Entertainment
5. Paid Holidays
6. Free Transportation on Corporate Jets
7. Free Use of Resort Facilities
8. Gifts of the Briber's Inventory or Services, such as construction of home improvements by a contractor.

Source - ACFE

f. Political Contributions

In addition to direct cash contributions, the term Political Contributions includes donation of property or services, purchases of tickets, fundraising events. Source - ACFE.

4. **Reference**

The following policies, among others, govern the management of this policy within the Group:

i. Code of Professional Conduct

ii. Policy on Whistle Blowing

iii. Anti-money Laundering Policy

iv. Anti-Fraud Strategy

v. Etc.

Employees are expected to understand the demands of the above stated documents as violation of any of them will attract punitive measures against the erring employee.

5. Our Policy- What we should not do

i. Bribery and Corruption

We do not receive or offer bribes to any customers, suppliers, vendors, public employees / government officials or representatives, politicians or political parties.

Employees may not accept any gift or hospitality from our business partners if:

1. it exceeds N10,000 in value for each individual gift.
2. event not to exceed a total of N50,000 in any financial year, unless approved in writing by the appropriate authority
3. it is in cash/Precious Metals/Precious Monies.
4. there is a perception that a return favour will be expected or implied.

ii. Facilitation Payments and Kickbacks

We do not allow facilitation payments or kickbacks in any form. However if you are faced with situations where there is a risk to personal security or his/her family and where a facilitation payment is unavoidable, please take the following steps:

1. Keep any amount to the minimum
2. Create a record concerning the payment
3. Report it to your line manager

In order to achieve our aim of not making any facilitation payments, each business of the Group will keep a record of all payments made, which must be reported to the Company Secretary, in order to evaluate the business risk and to develop a strategy to minimise such payments in the future.

iii. Gifts and Hospitality

This policy does not prohibit *"Normal and Appropriate"* gifts and hospitality (given or received) to or from third parties and the giving or receipt of gifts, provided that it is done in accordance with this Policy. We will develop and maintain a gift register to guide our activities in the implementation of this policy. However, please do consult General Counsel in case of any clarification.

Normal and Appropriate include (but not limited to) where the gift and hospitality:

1. Is not made with intention of influencing a third party
2. Is given in the name of the Group and not personal name
3. Does not include cash or cash equivalent
4. Is appropriate in the circumstance
5. Is given openly

However, it is not acceptable to:

1. Give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received or something similar

2. Give, promise to give, or offer a payment, gift or hospitality to government official to expedite a routine procedure

3. Accept from suspicious third party

4. Threaten to retaliate against another employee who has refused to accept questionable gifts or hospitality

iv. Reciprocal Agreements

Reciprocal Agreements are prohibited by the Company unless they are legitimate business arrangements which are properly documented and approved by Management.

Improper payments to obtain new business(es), retain existing business or secure any improper advantage should never be accepted or made

v. Political Contributions

We do not make donations, whether in cash or kind, in support of any political parties or candidates, as this can be perceived as an attempt to gain an improper business advantage.

vi. Charitable Contributions

Charitable support and donations are encouraged and acceptable provided they are not used as a scheme to conceal bribery. We encourage charitable donations that are legal and ethical under all applicable laws and guidelines on anti- corruption.

All charitable contributions should be publicly disclosed and must be approved by the relevant authority.

Gifts & Hospitality Register

All gifts and hospitality offered, received or declined must be recorded in DCP's Gifts Register which is maintained by the Finance Director or elsewhere by DCP Anti-Corruption Compliance Officer.

6. Roles and Responsibilities

Employees at all levels of the Group have defined responsibilities with respect to preventing, detecting and responding to bribery and corruption issues. These responsibilities are highlighted below. Please note that the responsibilities are not exhaustive and should be considered in conjunction with other relevant functions in the Group.

Board of Directors

The Board of Directors (BoD) must recognize the true and specific risks of fraud to the Group, as well as the potential impact of fraud on the business: Their roles include but not limited to:

i. Setting an appropriate tone and realistic expectation of the management to enforce the right culture

ii. Raising awareness of the risks of fraud throughout the Group

iii. Developing and/or delegating to management the development of a strategy that aligns with the Group's risk appetite and strategic plans in order to assess and manage fraud risks.

iv. Monitoring the Group's fraud risk management activities

v. Ensuring the policy is implemented, enforced, and updated as may be necessary.

Board Audit and Risk Committee

As a sub-committee of the Board of Directors, the Board Audit and Risk Committee (BARC) is delegated with an oversight function on the Group's financial and audit matters. This involves understanding how internal and external audit strategies address bribery and corruption risk

Management

Management holds the primary responsibility for designing, implementing, monitoring and improving the fraud risk management program covering bribery and corruption. As part of this, management must ensure the Group has specific and effective controls in place to prevent, detect and respond to risk of bribery and corruption.

Compliance and Internal Control

Responsibilities shall include but are not limited to:

i. Establish and ensure compliance with adequate system of internal controls in each area of work.

ii. Ensure that transactions are carried out in line with the Group's operational policy and procedures, and take remedial actions where necessary.

Internal Audit

Responsibilities shall include but are not limited to:

i. Develop an internal audit plan taking cognizance of the Group's fraud risk assessment.

ii. Review the effectiveness of controls to ensure that they are commensurate with the extent of the potential exposure/risk in the various Operating companies of the Group.

iii. Deliver an independent opinion to executive management on the adequacy of arrangements for prevention and management of the risk of fraud.

Human Resources

Responsibilities shall include but are not limited to:

i. Ensure that appropriate pre-employment screening processes are in place.

ii. Ensure that the disciplinary recommendation(s) is/are appropriate for any offence(s).

Corporate Counsel

Responsibilities shall include but shall not be limited to:

i. Provide prompt and comprehensive legal advice on matters relating to fraud, bribery and corruption.

ii. Provide legal representation in civil actions against fraud perpetrators.

iii. Ensure that legal documents are verified.

iv. Ensure that staff and third-party agents are trained on the Company's Anti-Bribery and Corruption Policy on an annual basis.

v. Implementing of this policy and monitoring its use and effectiveness and dealing with any queries on its interpretation.

vi. Review arrangements with its third-party service providers and incorporate any necessary contractual safeguards, including anti-bribery and corruption provisions where necessary.

Line Managers / Supervisors

Head of business units, relationship managers and branch service heads play key roles in preventing fraud. Their responsibilities include but are not limited to:

i. Ensure that transactions are carried out in line with the Group's policies and procedures and that controls are not breached.

ii. Ensure there is a separation of duties so that control of a key function is not vested in one individual, wherever possible.

iii. Lead by example and ensure that employees are aware of the policy and adhere to the provisions of the policy.

Disciplinary Committee

There shall be a standing Disciplinary Committee to be convened whenever an investigation report recommends that a staff should appear before the Disciplinary

Committee. The Internal Audit/Investigation unit will also refer all substantiated allegations of fraud by an employee for a hearing by the Disciplinary Committee.

The hearing of the Disciplinary Committee shall be chaired by Director Human Assets Management or a pre-approved (by the GMD/CEO) senior management employee, and shall consist of the following representatives:

i. Human Resources

ii. Corporate Counsel

iii. Compliance & Internal Control

iv. Investigation unit

v. Head of Internal Audit

vi. Senior officer from the division of the staff facing the Disciplinary Committee

vii. Other members as may be advised by management

For additional information on the Disciplinary Committee, consult the sanction grid.

Other employees

It is the responsibility of all employees to carry out their work in such a way as to prevent bribery and corruption and indeed fraud occurring in the Group. Employees must also:

i. Understand their roles within the Group's internal control framework

ii. Understand how their job procedures are designed to manage fraud risks

iii. When non-compliance may create an opportunity for fraud to occur or go undetected.

iv. Not accept gifts, hospitality or benefits of any kind from a third party which might be seen to compromise their integrity.

v. Be alert to the possibility that unusual events or transactions could be an indication of fraud.

vi. Report details immediately to their line managers or utilize the whistle blowing channels, in the event of suspicious acts or events suggesting that fraud has been committed.

7. Communication and Awareness

- New employees must go through a training on this policy
- Existing employees will receive regular/periodic training on changes to this policy
- Other stakeholders such as customers, suppliers, consultants,

contractors, agents, vendors must be aware of our zero tolerance to bribery and corruption.

An anti-fraud / code of ethics awareness session will be held with employees and other relevant stakeholders, at least annually to further embed the anti-bribery and corruption culture in the Group.

8. Whistleblowing

All cases of fraud and misconduct including bribery and corruption, must be reported confidentially. Whistle blowers' identities must be protected and anonymity guaranteed.

Persons who have suffered any detrimental treatment as a result of reporting suspicions of fraud and misconduct under this Policy in good faith are encouraged to report to Chief Compliance Officer/Company Secretary.

For additional information, consult the *Policy on Whistle Blowing*

9. Documentation & Record Keeping

DCP shall keep detailed and accurate records and accounts that reflect all transactions, dispositions of assets, hospitality or gifts accepted or offered in accordance with established procedures and be subjected to audit. The records must not contain any false, misleading, or other artificial entries, conceal bribes or corrupt practices.

DCP shall put in place appropriate internal controls in place for accurate and transparent record keeping.

10. Incident Reporting

All employees are obliged to send their suggestions to dcp.legal@dangote.com on possible lapses in operational processes and procedures that might give rise to bribery and corruption.

11. Investigation of Potential Violations of the Policy

The Group takes all reported and detected cases of bribery and corruption seriously and is committed to confidentiality and a full investigation of all allegations.

The Investigation unit will be responsible for the investigation of all reported and detected cases of bribery and corruption.. However, in the event of the following, Management may consider engaging an independent firm to conduct the investigation:

- High level of confidentiality is required
- Issues involve senior management
- In-house Investigation team/Internal audit team do not have the requisite skills to conduct the investigation such as Forensic Technology (i.e. digital evidence recovery, mobile forensics, etc)
- There are no adequate resources/time by the in-house investigation/internal audit team.

12. Disciplinary Actions

Disciplinary actions will be in line with the recommendations of the disciplinary committee and the sanction grid.

13. Report to Management and Regulatory Bodies

The Head of Internal Audit is responsible for providing/presenting monthly fraud and investigation report to Executive Management and quarterly summary reports to the Board Audit and Risk Committee.

14. Updating the Policy

This policy shall be reviewed/updated by the Group Managing Director/CEO, Group CFO, Group Chief Internal Audit Officer, and General Counsel periodically based on changes in current trends and international leading practices as well as any other changes which Executive Management considers necessary and appropriate. All changes must be approved by Executive Management and Board Audit, Risk & Compliance Committee.

In addition, we will periodically engage an independent firm to review our anti- fraud programme, including this policy in order to provide assurance on the programme and proffer leading practice recommendations to address any noted gaps.

15. Who is Responsible for the Policy

The Board of Directors has overall responsibility for the policy while the Executive Management is responsible for ensuring an effective and efficient implementation of the policy.

16. Conclusion

In line with the Group's zero-tolerance stance towards fraud, bribery and corruption, it is important for all employees to comply strictly with this policy as non-compliance shall be viewed strongly and appropriate sanctions will be applied depending on the nature of offence(s).