



ARAB SHIPBUILDING AND REPAIR YARD CO.

ANTI- BRIBERY AND CORRUPTION POLICY



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1) Zero tolerance approach

- 1.1) ASRY adopts a zero tolerance approach to bribery and corruption of any form and is reflected in this Anti-Bribery and Corruption Policy (“ABC Policy”).
- 1.2) ASRY does not offer or pay or accept any bribes for any purpose whether directly or through a third party.
- 1.3) All ASRY employees must at all times comply with the ABC Policy and all relevant anti-bribery and corruption laws including the Bahrain’s Penal Code, International Anti-Corruption Academy (IACA) , Arab Anti-Corruption Convention and other similar anti-bribery laws where ASRY does business.
- 1.4) ABC Policy is to be read in conjunction with other related policies including the ASRY’s Corporate Governance policy, ASRY’s Employee Handbook and ASRY’s General Terms & Conditions for supply of materials and services which prohibits our suppliers and their supply chain from engaging in any form of bribery or corruption.

2) Corruption or Bribery

2.1) Bribery involves the following:

- a) When a financial or other advantage is offered, given or promised to another person with the intention to induce or reward them or another person to perform their responsibilities or duties improperly (it does not have to be the person to whom the bribe is offered that acts improperly); or
- b) When a financial or other advantage is requested, agreed to be received or accepted by another person with the intention of inducing or rewarding them or another person to perform their responsibilities or duties inappropriately (it does not have to be the person who receives the bribe that acts improperly).

2.2) It does not matter whether the bribe is :

- a) Given or received directly or through a third party (such as someone acting on ASRY’s behalf, for example a contractors, an agent, distributor, supplier, or other intermediary);
- b) For the benefit of the recipient or some other person.

2.3) Bribes can take many forms for example:

- a) Money (or cash, equivalent such as shares);
- b) Lavish or unreasonable gifts, entertainment or hospitality;
- c) Kickbacks (payments made in return for a business favour or advantage)
- d) Unwarranted rebates or excessive commissions (e.g. to sales agents or marketing agents);
- e) Unwarranted allowances or expenses;
- f) ‘Facilitation’ payments made to perform their normal job more quickly and/or prioritise a particular customer/party;



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- g) Uncompensated use of company services or facilities; or
- h) Anything else of value.

3) Compliance

3.1) All ASRY employees and all third parties who represent ASRY, or who are ASRY suppliers, contractors or other business partners are required to comply with ABC Policy, and not engage in any form of bribery or corruption.

3.2) ASRY employees must :

- a) Not give or offer to give or authorize to give anything of value that could be considered to be a bribe;
- b) Not request or accept or authorize the request or acceptance of, directly or indirectly, anything of value that could be considered to be a bribe;
- c) Know what ABC Policy means and comply with it;
- d) Report as soon as possible any suspected breaches of ABC Policy to either the Board Audit Committee Chairman, Managing Director or Internal Audit Manager, without risk of reprisal. Their contact details are shown at the end of this policy.

3.3) ASRY Managers and Department Heads ensure that:

- a) All employees in the respective divisions/departments need to be aware of the need to comply with ABC Policy, and receive regular messages from the line management reminding them to comply;
- b) All employees in the respective divisions/departments need to complete any required ABC Policy training within the timeframe;
- c) Any non-compliance to ABC Policy should be referred to either the Board Audit Committee Chairman, Managing Director or Internal Audit Manager (as mentioned under item 3.2(d)).

4) Gifts and Hospitality

4.1) Giving or receiving gifts or hospitality is often an important part of maintaining and developing business relationships. However, all gifts and hospitality should be for a genuine purpose, reasonable, given in the ordinary course of business.

4.2) The giving or receipt of gifts is NOT prohibited, if the following requirements are met:

- a) It is not made with intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- b) It is given in ASRY's name, not in the employee's name;
- c) It does not include cash or cash equivalent (such as gift vouchers, coupons);
- d) It is appropriate in the circumstances e.g. gifts given at the time of religious



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holidays/celebration;

- e) Taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
 - f) It is given openly , not secretly.
- 4.3) Gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties.

5) Consequences of violation

- 5.1) A violation of ABC Policy will lead to disciplinary action for the individuals involved up to and including dismissal, and reporting to the police or relevant regulatory agency.
- 5.2) ASRY may also be exposed to criminal or civil claims and reputational harm arising from any act of bribery or corruption.

6) Working with Third Parties

- 6.1) ASRY does not condone the action of, nor does ASRY wish to be held liable for, any of ASRY's third parties who may have made any bribes whilst acting for ASRY, whether with or without ASRY's knowledge.
- 6.2) Accordingly it is very important that the requisite and proper due diligence of all third parties representing ASRY or providing services to ASRY, are undertaken before ASRY engages such third parties.
- 6.3) These third parties should also undertake NOT to engage in any form of bribery or corruption.

7) Monitor and Review

ABC Policy will be regularly reviewed and updated as needed to ensure it continues to be adequate and effective.

8) Contacts

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| Board Audit Committee Chairman | Arab Shipbuilding and Repair Yard Co. P.O. Box 50110, Hidd, Kingdom of Bahrain Email: auditcom.chairman@asry.net |
| Managing Director | Arab Shipbuilding and Repair Yard Co. P.O. Box 50110, Hidd, Kingdom of Bahrain Email: mazenm@asry.net |
| Internal Audit Manager | Arab Shipbuilding and Repair Yard Co. P.O. Box 50110 , Hidd, Kingdom of Bahrain Email : thomasd@asry.net |