

M7 Real Estate Limited
Anti-Bribery and Corruption Policy
May 2018

1. Introduction

M7 Real Estate Ltd (“M7”, the “Firm”) is committed to conducting its business in an honest and ethical manner at all times. The Firm has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates and implementing and enforcing effective systems to counter bribery and corruption across its offices.

M7 has introduced this Anti-Bribery and Corruption Policy (the “Policy”) to ensure that M7 complies with the anti-corruption laws and conventions applicable to its worldwide operations, including, in particular, the UK Bribery Act 2010 and the US Foreign and Corrupt Practices Act (“FCPA”).

2. About this Policy

The purpose of this Policy is to:

- a) Set out M7’s responsibilities, and the responsibilities of those working for it, in observing and upholding its position on bribery and corruption; and
- b) Provide information and guidance to those working for the Firm on how to recognise and address bribery and corruption issues.

It is a criminal offence to offer, promise, give, request, or accept a bribe. Individuals found guilty can be punished by up to ten years’ imprisonment and/or a fine under the UK Bribery Act 2010, while violation of the FCPA anti-bribery provisions could result in up to twenty years’ imprisonment for an individual. As an employer, if M7 fails to prevent bribery it could face an unlimited fine and damage to its reputation. M7 therefore takes its legal responsibilities very seriously.

M7 has identified that the following are particular risks for its business:

- In respect of real estate development projects, the source of funding and the authority for making decisions often rests in public sector hands. Government entities will be involved where there is a contract to be

awarded, a license to be granted, or permission to be given, creating the potential for solicitation involving public officials. However, it should be noted that development projects are not typically a focus of M7 business.

- There is a risk that companies and individuals may be willing to pay bribes or offer gifts to win contracts or obtain permits in relation to the real estate assets in M7-managed vehicles.
- There is a risk of bribery being used to influence the valuation of a real estate asset in an M7-managed vehicle.

To address these risks, M7 has taken the following steps, amongst others:

- Ensuring that contracts with third parties engaged contain detailed anti-bribery clauses and comply with the requirements of the UK Bribery Act 2010 and the FCPA, amongst others;
- Providing anti-bribery training at least annually to all its staff members and testing them on their understanding of the issues raised;
- Implementing and maintaining controls around the giving and receiving of gifts and/or business entertainment by staff members, including requiring that all gifts and business entertainment are declared and pre-approval is obtained for gifts and business entertainment over a certain value (please refer to **Section 8 – Gifts, Business Entertainment and Expenses** for further information).

In this Policy, “third party” means any individual or organisation you come into contact with during the course of your work for M7, and includes actual and potential clients, investors, customers, suppliers, service providers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisers, representatives and officials, politicians and political parties.

3. Who is Covered by the Policy?

This Policy applies to all persons working for M7 or for any M7 group (“**Group**”) company or on its behalf in any capacity, including employees, directors, officers, agency workers, temporary staff, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with M7, wherever they are located.

4. Who is Responsible for this Policy?

The board of directors (“**Board**”) has overall responsibility for ensuring this Policy complies with M7’s legal and ethical obligations, and that all those under the Firm’s control comply with it. The Policy will be formally approved by the Board at least annually, and whenever material changes are made to it.

The Compliance Officer is responsible for implementing this Policy, monitoring its use and effectiveness, dealing with any queries about it, and ensuring that internal controls are effective in countering bribery and corruption.

Management at all levels of the Firm are responsible for ensuring that those reporting to them understand and comply with this Policy and are given adequate and regular training on it.

5. What are Bribery and Corruption?

“Bribery” is offering, promising, giving or accepting any financial or other advantage, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage.

An “advantage” includes money, gifts, loans, fees, hospitality, services, discounts, and the award of a contract or anything else of value.

A person acts “improperly” where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust. The improper acts may be in relation to any business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organisation of any kind.

“Corruption” is the abuse of entrusted power or position for private gain.

Examples:

- **Offering a bribe:** You offer a potential client tickets to a major sporting event, but only if they agree to do business with M7.
 - This would be an offence, as you are making the offer to gain a commercial and contractual advantage. M7 may also be found to have committed an offence because the offer has been made to obtain business for the Firm. It may also be an offence for the potential client to accept your offer.
- **Receiving a bribe:** A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in M7 to ensure the Firm continues to do business with them.
 - It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.
- **Bribing a foreign official:** You arrange for the business to pay an additional

“facilitation” payment to a foreign official to speed up an administrative process, such as the granting of a permit in relation to a property.

The offence of bribing a foreign public official is committed as soon as the offer is made. This is because it is made to gain a business advantage for M7. M7 may also be found to have committed an offence.

6. What You Must Not Do

It is not acceptable for you (or someone acting on your behalf) to:

- a) Give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- b) Give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
- c) Accept a payment, gift or hospitality from a third party that you know or suspect is offered with the expectation that M7 will provide a business advantage for them or anyone else in return;
- d) Accept hospitality from a third party that is unduly lavish or extravagant under the circumstances.
- e) Offer or accept a gift to or from government officials or representatives, or politicians or political parties, without the prior approval of your Line Manager AND the Compliance Officer;
- f) Threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this Policy; or
- g) Engage in any other activity that might lead to a breach of this Policy.

7. Facilitation Payments and Kickbacks

M7 does not make, and will not accept, facilitation payments or “kickbacks” of any kind.

“Facilitation payments”, also known as “back-handers” or “grease payments”, are typically small, unofficial payments made to secure or expedite a routine or necessary action (for example, by a government official). They are not common in the UK, but are common in some other jurisdictions.

“Kickbacks” are typically payments made in return for a business favour or advantage.

You must avoid any activity that might lead to a facilitation payment or kickback being made or accepted by M7 or on M7’s behalf, or that might imply that such a payment will be made or accepted. If you are asked to make a payment on M7’s behalf, you should always be mindful of the purpose of the payment and whether the amount requested is proportionate to the goods or services provided. You should always request 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 Compliance Officer.

8. Gifts, Business Entertainment and Expenses

This Policy allows reasonable and appropriate hospitality or entertainment given to or received from third parties, for the purposes of:

- a) Establishing or maintaining good business relationships;
- b) Improving or maintaining M7’s image or reputation; or
- c) Marketing or presenting M7’s products and/or services effectively.

The giving and accepting of gifts and/or business entertainment is permitted if the following requirements are met:

- a) It is not made with the 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 M7’s name, not in your name;
- c) It does not include cash or a cash equivalent (such as gift certificates or vouchers);
- d) It is appropriate in the circumstances, taking account of the reason for the gift and/or business entertainment, its timing and value. For example, in the UK it is customary for small gifts to be given at Christmas;
- e) It is given openly, not secretly; and
- f) It complies with any applicable local law.

Additionally, the following procedure must be adhered to in respect of all gifts and/or business entertainment:

- ! Where the gift and/or business entertainment is valued in excess of £150 (or the equivalent in another currency), pre-approval must be obtained from the Compliance Officer using the “M7 Staff Gifts and Business Entertainment Pre-Approval Form”;
- ! All gifts and/or business entertainment valued in excess of £50 (or the equivalent in another currency) must be declared promptly to the Compliance Officer by being logged on your team Gifts and Business Entertainment Register. The following information will need to be disclosed as part of this declaration:
 - Name of M7 staff member and department;
 - Name of third party receiving or giving gift or business entertainment and the nature of the relationship with the third party;
 - Date given or received;
 - Description and value (approximate for gift and/or business entertainment received); and
 - Rationale for gift and/or business entertainment, for example, business development.

Promotional gifts of low value, such as branded stationery to or from existing customers, suppliers and business partners will usually be acceptable, and will not need to be declared.

Reimbursing a third party’s expenses, or accepting an offer to reimburse M7 expenses (for example, the costs of attending a business meeting) would not normally amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as the cost of an extended hotel stay) is not acceptable.

M7 appreciates that practice 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, hospitality or payment is reasonable and justifiable. The intention behind the gift and/or business entertainment should always be considered.

9. Due Diligence on Third Party Service Providers

In the course of business, before engaging in any transaction with, or outsourcing any activities to, a third party, particularly where a foreign official is concerned, an appropriate level of due diligence must be undertaken on that third party to evaluate potential compliance risks associated with the third party.

10. Requirement for a Written Contract in Dealings with Third Parties

All business dealings or activities conducted between M7 and third parties must be documented in a written contract.

Such contracts will require prior approval by M7's General Counsel or the Chief Operating Officer and must be available for inspection by auditors as and when required. Such contracts must include appropriate anti-corruption and bribery provisions.

11. Payments to Third Parties

Fees payable to a third party shall amount to appropriate remuneration for legitimate services effectively rendered. Unless specifically authorised by the Compliance Officer or M7's General Counsel, no payment to any third party should be made or delivered:

- a) In cash (other than documented petty cash disbursements);
- b) With corporate cheques payable to "cash", "bearer" or third-party designees of the party entitled to payment;
- c) To any other person or entity other than the third party, subject to appropriate internal controls, such as segregation of duties;
- d) To an individual, entity, or account outside the third party's country of residence, subject to appropriate internal controls, such as segregation of duties; or
- e) Where there is reason to believe that any part of the payment made to the third party may be passed on as a bribe or other inducement.

12. Political and Charitable Contributions

You should not use M7 funds or assets to make direct or indirect payments, loans, donations, gifts, or provide advantages or benefits to a charity, political party, member or candidate of any political party or research organisation or "think tank" close to a political party or pressure or lobby groups for the purpose of obtaining or retaining business for M7 or influencing a business decision. Any political or charitable contributions (not for such a purpose) must:

- a) Comply with the laws and conventions applicable to M7's business activities; and
- b) Be approved in writing by your Line Manager AND the Compliance Officer.

13. Record-Keeping

M7 must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

All gifts and business entertainment must be declared in accordance with the procedure outlined in **Section 8 – Gifts, Business Entertainment and Expenses** and a written record retained of such gifts and business entertainment.

All expense claims relating to hospitality, gifts or payments to third parties must be submitted in accordance with M7's expenses procedure and the reason for expenditure recorded.

All accounts, invoices, and other records relating to dealings with third parties, including suppliers and customers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

14. Your Responsibilities

You must ensure that you read, understand and comply with this Policy.

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for M7 or under M7's control. You are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

You must notify the Compliance Officer as soon as possible if you believe or suspect that a conflict with this Policy has occurred, or may occur in the future. For example, if a client or potential client offers you something to gain a business advantage with M7, or indicates to you that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in **Appendix A**.

15. How to Raise a Concern

You are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.

If you are offered a bribe, or are asked to make one, or if you believe or suspect that any bribery, corruption or other breach of this Policy has occurred or may occur, you

must notify your Line Manager AND the Compliance Officer OR report the matter in accordance with M7's Whistleblowing Policy as soon as possible.

If you are unsure about whether a particular act constitutes bribery or corruption, you should consult your Line Manager OR the Compliance Officer as soon as possible.

16. Protection

Individuals who refuse to accept or offer a bribe, or who raise concerns or report another's wrongdoing, may sometimes be concerned about possible repercussions. M7 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.

M7 is committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential act of bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Compliance Officer (or a member of the Legal Team in her absence) immediately. If the matter is not remedied, and you are an employee, you should raise it formally by reporting to M7's HR Manager in accordance with M7's grievance procedure.

17. Training and Communication

Training on this Policy forms part of the induction process for all individuals who work for M7, and regular training will be provided as necessary.

M7's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of M7's business relationship with them and as appropriate thereafter.

18. Breaches of this Policy

Any employee who breaches this Policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

M7 may terminate its relationship with other individuals and organisations working on its behalf if they breach this Policy.

Approved by the Board on: 7 June 2018

Appendix A:

The following is a list of possible red flags that may arise during the course of your work for M7 and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for M7, you must report them promptly to your Line Manager OR to the Compliance Officer OR using the procedure set out in M7's Whistleblowing Policy:

- a) You become aware that a third party with which M7 deals engages in, or has been accused of engaging in, improper business practices;
- b) You learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- c) A third party insists on receiving a commission or fee payment before committing to sign up to a contract with M7, or carrying out a government function or process for the Firm;
- d) A third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- e) A third party requests that payment is made to a country or geographic location different from where the third party resides or typically conducts business;
- f) A third party requests an unexpected additional fee or commission to "facilitate" a service;
- g) A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- h) A third party requests that a payment is made to "overlook" potential legal violations;
- i) A third party requests that you provide employment or some other advantage to a friend or relative;
- j) You receive an invoice from a third party that appears to be non-standard or customised;
- k) A third party insists on the use of side letters or refuses to put terms agreed in writing;

- l) You notice that M7 has been invoiced for a commission or fee payment that appears excessive given the service stated to have been provided;
- m) A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to M7;
- n) You are offered an unusually generous gift or offered lavish hospitality by a third party;
- o) A third party requests payment in advance or prior to an award of a concession, contract or other business;
- p) A request for large contingency or “success” fees;
- q) A request for reimbursement of extraordinary, poorly-documented, or last minute expenses;
- r) A request for payment in cash, to a numbered account, or to an account in the name of a different person;
- s) A request for payment in a different country, especially if it is a country with little banking transparency or regulatory control, such as off-shore tax havens;
- t) The third party has a family member in a government position, particularly if the family member is, or could be, in a position to direct business to M7;
- u) A refusal by any third party to disclose its owners, partners, or principals;
- v) The use of a shell or holding Company that obscures ownership without a credible explanation;
- w) The third party’s business seems understaffed, ill-equipped, inexperienced, inconveniently located, or otherwise not capable of undertaking its proposed relationship with M7;
- x) The third party is insolvent or has significant financial difficulties that would reasonably be expected to impact the venture;
- y) The third party displays ignorance of, or indifference to, local laws and regulations;
- z) A business or banking reference of the third party unreasonably refuses to answer questions, or provides problematic answers; and/or
- aa) The third party is the subject of credible rumours or media reports impacting upon the third party’s ethics.