

# Financial Compliance Policy

Incorporating policy statements concerning:

- Anti-Bribery and Corruption
- Anti-Money Laundering
- Corporate Criminal Offence (Tax Evasion)
- Anti-Fraud

Document Version 3.0

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## Identification

File Name	Owner
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## Preparation & version tracking

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0.1	Head of Sustainability & Compliance	10/05/2024	Initial draft combining three previously separate documents: → Anti-Bribery and Corruption Policy → Anti-Money Laundering Policy → CCO Policy
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2.0	Head of Sustainability & Compliance	02/05/2025	Annual review: Hospitality threshold updated in Section 2.3.2
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## Reviewers/Authorisers

Title	Reviewer/Authoriser	Date	Date of Next Review
Chief Financial Officer	Authoriser	27/10/2025	May 2026



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# 1 Introduction

## 1.1 Purpose

Note: For the purpose of this Policy, 'Kocho' refers to Kocho Group Holdings Limited and all its subsidiaries.

The purpose of this Policy is to communicate Kocho's approach to compliance in four key areas, namely:

- Requirements in respect of Anti-Bribery and Corruption (ABC), gifts and hospitality and conflicts of interest;
- Preventing and detecting attempts to launder money or assets as part of its operations or the delivery of its services;
- The Corporate Criminal Offence (CCO) of failing to prevent the criminal facilitation of tax evasion;
- Preventing and investigating instances of fraud and other forms of dishonesty.

Kocho is committed to operating ethically and honestly in all its business dealings and takes a zero tolerance approach to:

- Any form of bribery by, or of, its employees, clients or consultants or any person or body acting on its behalf;
- Any form of money laundering by its employees, consultants or any person or body acting on its behalf;
- Any form of tax evasion, or the facilitation of tax evasion, regardless of whether this takes place in the UK or abroad;
- Any form of fraudulent activity.

## 1.2 Scope

This Policy applies to all employees, Directors and officers, temporary workers, consultants, contractors, and subsidiaries acting for, or on behalf of, Kocho ("associated persons"). Every employee and associated person acting for, or on behalf of, Kocho is responsible for maintaining the highest standards of business conduct.

## 1.3 Safeguards to Minimise Risk

Kocho has established the following safeguarding measures to prevent the facilitation of bribery, money laundering, tax evasion or fraud:

- **Senior management commitment** in support of this Policy (see also Section 1.4);
- **Risk assessment and proportionality:** Exposure to any of these areas is managed via the Kocho risk management framework;
- **Communication and training:** The requirement to familiarise themselves with this Policy is one of the compliance obligations required of all employees (see also Sections 1.5 and 1.7);



- **Due diligence:** Associated policies are in place to support employees in the reporting of concerns (see also Section 1.6);
- **Monitoring and review:** This Policy is included in the document review schedule to ensure it remains up to date with changes in legislation (See also Section 1.4).

## 1.4 Governance

The Board of Directors and management of Kocho are committed to implementing effective measures to prevent, monitor and eliminate bribery, money laundering, tax evasion and fraud.

The Chief Financial Officer is the owner of this Policy and undertakes a review of the document on at least an annual basis with the Head of Governance & Sustainability.

The Head of Governance & Sustainability is responsible for the maintenance and communication of this Policy and the associated training assigned to Kocho employees.

## 1.5 Awareness of this Policy

This Policy has been published to the 'Corporate Governance Policies' area of the Kocho intranet, where it is available to all Kocho employees who must familiarise themselves with its contents.

Awareness of this Policy forms part of the annual training programme received by each employee.

This Policy is available for review by clients or other external third parties on request. The existence of this Policy is also communicated as appropriate to new clients and suppliers of Kocho at the start of the commercial relationship, and as appropriate for existing clients and suppliers.

## 1.6 Responsibilities

All employees of Kocho have a responsibility to ensure they have read, understood and comply with this Policy. The prevention, detection and reporting of bribery, money laundering, tax evasion, fraud or other forms of corruption are the responsibility of all those working for or at the direction of Kocho.

All employees are required to avoid any activity that might lead to, or suggest, a breach of this Policy. Where an employee suspects a breach has occurred, they must immediately report it to their Line Manager, the Head of Governance & Sustainability or a member of the Senior Leadership Team.

Where an individual suspects a breach of this Policy has occurred (e.g. fraudulent activity or theft), they must immediately report it to their Line Manager, The Head of Governance & Sustainability or a member of the Senior Leadership Team. Management are expected to deal promptly, firmly and fairly with suspicions or allegations of fraud, theft or corrupt practice.

Kocho is committed to ensuring that no employee will suffer any repercussions from reporting a breach of this Policy. To this end, employees are also referred to the associated *Whistleblowing Policy*.



## 1.7 Consequences of Violations

Kocho will fully investigate any instances of alleged or suspected breaches and the named employee may be suspended from their duties while the investigation is carried out. Employees who breach this Policy will face disciplinary action which could result in dismissal for gross misconduct.

In addition, Kocho may report suspected violations to the relevant authorities.



## 2 Anti-Bribery and Corruption Policy

### 2.1 Overview

Kocho is committed to conducting its business honestly and ethically, and to the highest standards of conduct and integrity. This includes compliance with anti-bribery and anti-corruption ("ABC") laws, such as the UK Bribery Act 2010 and the equivalent South African legislation, the Prevention and Combating of Corrupt Activities Act (PRECCA).

In particular, legislation in the UK (the Bribery Act 2010) not only makes paying or taking a bribe illegal, but holds UK companies liable for failing to prevent bribery by those working on its behalf, even indirectly (such as through non-UK subsidiaries, clients, contractors, suppliers, and intermediaries).

Therefore, any breach of this Policy is likely to constitute a serious criminal, disciplinary and/or contractual matter for the individual concerned and may cause serious financial and reputational damage to Kocho.

### 2.2 Anti-Bribery and Corruption Policy Statement

Kocho prohibits employees or associated persons from offering, promising, giving, soliciting, or accepting any bribe:

- The bribe might be cash, a gift or other inducement to, or from, any person or company, whether, private, public or government official of a state-controlled industry, political party in the UK or overseas.
- The prohibition also applies to indirect contributions, payments or gifts made in any manner as an inducement or reward for improper performance, for example through consultants, contractors or sub-contractors, clients or sub-agents, sponsors or sub-sponsors, joint-venture partners, advisors, customers, suppliers or other third parties.

The purpose of a bribe is often to obtain, retain or facilitate business, where the person receiving the bribe is, or may be, in a position to provide that kind of business advantage to the party offering the bribe. This may involve sales initiatives, such as tendering or the award of contracts, or it may simply involve the handling of administrative tasks such as licences, customs, taxes or import/export matters. It does not matter whether the act of bribery is committed before or after the tendering of a contract or the completion of an administrative task.

### 2.3 Gifts and Hospitality

#### 2.3.1 Gifts

This Policy does not prohibit normal and appropriate gifts (given and received) to or from clients, suppliers and other third parties.

Gifts must ensure:

- Where given, it is done so in Kocho's name;
- The gift does not include cash;



- Where the gift is a cash equivalent (such as a gift certificate) the value does not exceed £50;
- The gift is openly, and not secretly, given.

Kocho employees must never seek or request gifts, or personal preferential treatment in any matter, from any person or organization.

If a gift is offered with an estimated value in excess of £50, then Kocho Executive Board member approval is required prior to acceptance. In the case of doubt, authorisation should be sought from a Kocho Executive Board member.

Gifts with an estimated value in excess of £50 must be recorded in the Register of Gifts and Hospitality facilitated by the Head of Sustainability & Compliance (see also Section 2.6).

### 2.3.2 Hospitality

Hospitality, entertainment, or other business expenses provided to or received from suppliers, business partners or clients are permitted, so long as they are reasonable, proportionate and comply with the expenses policy.

Hospitality is NOT permitted:

- If it might influence the outcome of a business transaction, whatever the value of the expense, or a reasonable individual could interpret it that way;
- For the purpose of facilitating or expediting any decision to award new business, to renew existing business or to take any other action;
- Given for personal benefit, friendship, personal acquaintances, or family purposes;
- If it is in the form of cash or a cash equivalent.

If hospitality is offered with a value in excess of £100 (per head), then Kocho Executive Board member approval is required prior to acceptance. In the case of doubt, authorisation should be sought from a Kocho Executive Board member.

Hospitality with a value in excess of £100 per head must be recorded in the Register of Gifts and Hospitality facilitated by the Head of Sustainability & Compliance (see Section 2.6).

## 2.4 Facilitation Payments

Facilitation payments are defined as "any facilitating payment or expediting payment to a foreign official, political party, or party official the purpose of which is to expedite or to secure the performance of a routine governmental action." They are illegal under UK law and the laws of many other countries and are against Kocho policy.

The offer or making of a facilitation payment is prohibited by this Policy and will constitute a criminal offence by both the individual concerned and Kocho under the Bribery Act 2010.





## 2.5 Conflicts of Interest

A conflict of interest can be defined as a situation in which an individual's personal interests, or responsibilities they owe to another body, may, or may appear to, influence that individual's decision making.

Conflicts of interest arise when the interests of an employee or client, or those of their "connected persons", are incompatible or in competition with the interests of Kocho. Such situations present a risk that decisions will be made based on these external influences, rather than the best interests of Kocho. A connected person is a close family member (parent, child, sibling) or spouse/partner, and any company controlled by an employee or client.

Employees are required to consider whether they are under a conflict of interest, or the perception of such a conflict. They must declare that conflict to their Line Manager and the Chief Financial Officer as soon as they become aware of it, so it can be collated and considered by the Executive Board and appropriate action taken.

## 2.6 Record Keeping

Due diligence should be undertaken by employees and associated persons prior to entering into any contract, arrangement, or relationship with potential suppliers of services, clients, consultants or representatives.

Employees and, where applicable, associated persons, are required to take particular care to ensure that all Kocho records are accurately maintained in relation to any contracts or business activities, including financial invoices and all payment transactions with clients, suppliers or public officials.

Employees must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with Kocho's expenses policy and specifically record the reason for the expenditure.

Employees and associated persons are required to keep accurate records of all gifts and hospitality given or received that exceed the thresholds stated in Section 2.3. This is intended to evidence the business reason for gifts or hospitality given or received.

The Head of Sustainability & Compliance manages the Register of Gifts and Hospitality and should be contacted to log any entries.



## 3 Anti-Money Laundering Policy

### 3.1 Overview

The following UK legislation encompasses a number of offences in relation to money laundering activities in the United Kingdom:

- Proceeds of Crime Act 2002, specifically clauses 327-329 (as amended by the Crime and Courts Act 2013, Serious Crime Act 2015 and Criminal Finances Act 2017);
- Terrorism Act 2000 (as amended by the Criminal Finances Act 2017);
- Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended by the Money Laundering and Terrorist Financing (amendment) Regulations 2019).

The equivalent South African legislation relating to the prevention of money laundering activities is:

- The General Laws (Anti-Money Laundering and Combating Terrorism Financing) Amendment Act, 2022 ("General Laws Amendment Act");
- The Protection of Constitutional Democracy Against Terrorism and Related Activities Amendment Act, 2022 ("POCDATARA Amendment Act").

The law concerning money laundering can be broken down into the following offences:

- Concealing, converting or transferring 'criminal property' or removing it from the country. 'Criminal property' is property that constitutes a person's benefit from criminal activities, and could be cash, bank accounts, physical property or other assets;
- Becoming involved in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property;
- Acquiring, using or possessing criminal property;
- Failing to disclose knowledge or suspicion of another person's involvement in money laundering;
- 'Tipping off' so as to prejudice any investigation carried out by a law enforcement agency.

It therefore means that in addition to the criminal offence of participating in money laundering activities, a Kocho employee could be committing a criminal offence if they become aware of, or suspect the existence of, criminal property and fail to report their concerns. Furthermore, where an employee suspects money laundering and reports this, or is aware someone else has, they must be careful in discussing this with others to avoid committing the associated offence of 'tipping off' which might prejudice a subsequent investigation.

Prosecution for money laundering related offences could result in unlimited fines or terms of imprisonment, together with damage to Kocho's reputation and the associated adverse publicity.



## 3.2 Anti-Money Laundering Policy Statement

Money laundering is defined as the process by which the proceeds of crime, i.e. 'dirty' money, assets or property, is exchanged ('laundered') for 'clean' money or other assets that have no obvious links to their criminal origins.

The aim of money laundering is to legitimise the possession of such money or assets through circulation. As such, there are three key steps in a money laundering exercise:

- Placement – placing money into a legitimate institution or the financial system;
- Layering – hiding and moving the money through layers of transactions; and
- Integration – withdrawing the money once it has been made 'clean'.

The consequences of money laundering are:

- It supports criminal activity/organised crime;
- It allows criminals to hide assets;
- It can also be used to fund drugs, weapons, human trafficking, or to support terrorism.

Therefore, Kocho employees must not:

- Engage in money laundering, or the facilitation of money laundering;
- Fail to report any concerns of money laundering;
- Engage in any activity that might lead to a breach of this Policy;
- Threaten or retaliate against anyone who has raised concerns of a possible breach of this Policy.

Kocho has a Money Laundering Reporting Officer (MLRO) who has oversight of all activity relating to anti-money laundering. The MLRO role at Kocho is performed by the Chief Financial Officer.



## 4 Corporate Criminal Offence Policy

### 4.1 Overview

The Corporate Criminal Offence (CCO) legislation took effect on 30<sup>th</sup> September 2017, and is part of the UK's Criminal Finances Act 2017 (specifically sections 45 and 46). The legislation created two corporate offences:

- Criminal evasion of UK tax;
- Criminal evasion of foreign tax.

The equivalent South African legislation relating to the prevention of tax evasion is:

- Tax Administration Act (TAA) 28 of 2011.

It therefore makes it a criminal offence for Kocho to facilitate, or fail to prevent the facilitation of, tax evasion where an associated person of Kocho (e.g. employees, contractors, agents) deliberately and dishonestly facilitates a taxpayer evading taxation, and Kocho has not put in place reasonable preventative procedures to prevent such facilitation.

Prosecution for a breach of the CCO legislation could result in an unlimited financial penalty upon conviction, together with damage to Kocho's reputation and the associated adverse publicity.

### 4.2 Corporate Criminal Offence Policy Statement

Criminal tax evasion is defined as the deliberate non-payment or underpayment of tax either in the UK or abroad.

Therefore, Kocho employees and service providers/ suppliers must not:

- Engage in tax evasion, or the facilitation of tax evasion, in the UK or abroad;
- Fail to report any request to facilitate tax evasion;
- Engage in any activity that might lead to a breach of this Policy;
- Threaten or retaliate against anyone who has refused to commit tax evasion, or who has raised concerns of a possible breach of this Policy.

A potential supplier's stance on CCO is reviewed as part of Kocho's supplier onboarding process, and we do not work with suppliers who cannot meet our minimum acceptability criteria from a governance standpoint, including CCO compliance.



## 5 Anti-Fraud Policy

### 5.1 Overview

Under the Fraud Act 2006 there are three main offences:

- **Fraud by false representation:** Where someone makes a dishonest representation (express or implied) with the intention of making a gain or causing a loss to another.
- **Fraud by failing to disclose information:** Where someone dishonestly fails to disclose information which they're under a legal duty to disclose, with the intention of making a gain for themselves or inflicting a loss on another.
- **Fraud by abuse of position:** Where someone holding a position of responsibility dishonestly abuses the position, with the intention of making a gain for themselves or inflicting loss on another.

There are also further offences including the possession of articles for use in fraud, making or supplying articles for use in fraud, participating in fraudulent business, and obtaining services dishonestly.

The equivalent South African legislation relating to the prevention of fraud is:

- Prevention and Combating of Corrupt Activities Act (Act 12 of 2004).

### 5.2 Failure to Prevent Fraud

The Fraud Act and subsequent Economic Crime and Corporate Transparency Act (ECCTA) 2023 were both introduced to prevent fraudulent activity. The ECCTA built on the Economic Crime (Transparency and Enforcement) Act 2022, which was introduced to ensure corporate structures were not used to hide economic crimes.

A key element of the ECCTA is 'Failure to Prevent Fraud', which makes Kocho criminally liable where an employee, agent or other associated person commits a fraud intending to benefit the Company (or in certain circumstances a client) and reasonable fraud prevention procedures were not in place to prevent them. This element came into effect on 1<sup>st</sup> September 2025 and sits alongside existing law, so while the person committing fraud may be prosecuted for committing the offence, Kocho may also be prosecuted for failing to prevent it.

### 5.3 Policy Statement

Kocho takes a zero tolerance approach to any form of fraud, theft or other dishonest behaviour, as detailed in the following defined terms:

- **Fraud:** A deliberate intent to acquire money or goods dishonestly through the falsification of records or documents or the deliberate changing of financial statements or other records.
- **Theft:** Dishonestly acquiring, using or disposing of physical items or intellectual property belonging to Kocho Group Ltd.



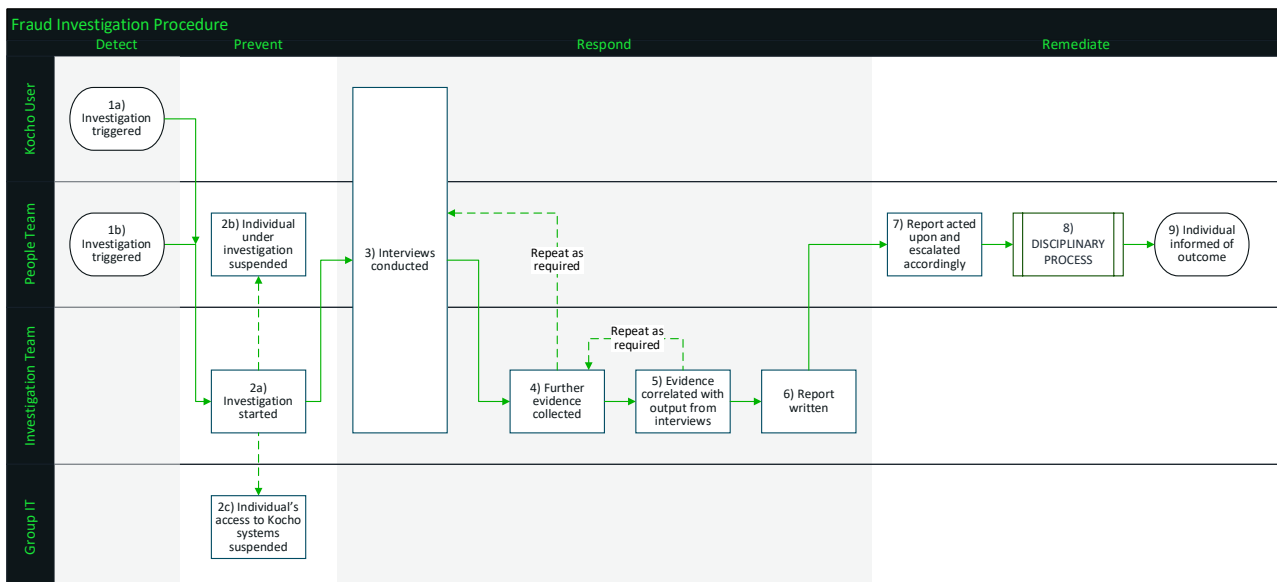
- **Misuse of equipment:** Deliberately misusing materials or equipment belonging to Kocho Group Ltd for financial or material benefit.
- **Abuse of position:** Exploiting a position of trust within the organisation for financial or material benefit.

All individuals of Kocho have a responsibility to act in an honest and ethical manner and to report any instances of dishonest behaviour that they discover. Anyone who commits fraud, theft or any other dishonest actions will be subject to appropriate disciplinary action which could result in dismissal for gross misconduct.

## 5.4 Fraud Investigation Procedure

The investigation of possible fraud or theft is managed via the following procedure, structured around the four key stages of 'Detect', 'Prevent', 'Respond' and 'Remediate'.

### 5.4.1 Procedure Flow



### 5.4.2 Procedure Narrative

Procedure Step	Narrative
1) Investigation triggered	A fraud investigation can be triggered either via a concern being raised by a Kocho user, or from the People Team.
2) Investigation started	<ol style="list-style-type: none"> <li>1. A team is formed to investigate the concerns, reporting to Senior Management.</li> <li>2. The individual under investigation is suspended from their role by the People Team.</li> <li>3. Their access to Kocho systems is also suspended for the period of the investigation by Group IT.</li> </ol>



Procedure Step	Narrative
3) Interviews conducted	<p>The investigation team conduct interviews with those involved and also analyse all the available evidence. Group IT may also be interviewed as part of the evidence gathering.</p> <p>Note that interviews involving the individual under investigation always include a member of the People Team.</p>
4) Further evidence collected	<p>Further evidence gathering also takes place. This may include outside research, e.g. checks on eBay where theft of items is suspected.</p> <p>Note this may also entail further interviews being conducted.</p>
5) Evidence correlated with output from interviews	<p>The investigation team correlates the output from the interviews with all of the available evidence to build a picture of the events and the timeline over which they occurred.</p> <p>Note this may also entail further evidence gathering or further interviews being conducted.</p>
6) Report written	<p>Once the team has concluded its investigation, their findings are written up into a formal report. This report is classified as CONFIDENTIAL.</p> <p>The report is an unbiased account of the investigation based on the interviews conducted and the evidence collected.</p> <p>Key areas of the report include:</p> <ul style="list-style-type: none"><li>→ What was investigated;</li><li>→ What was established;</li><li>→ The timeline of events;</li><li>→ The impacts/costs;</li><li>→ Conclusions;</li><li>→ Recommendations (e.g. possible disciplinary action, improvements to process etc).</li></ul> <p>The report template is provided by the People Team.</p> <p>Note the People Team are the custodians of this report.</p>
7) Report acted upon	<p>The People Team escalate the report to appropriate Senior Management for visibility and act on the conclusions of the report in line with any guidance/direction received from Senior Management.</p>
8) Disciplinary Process	<p>Once the investigation is completed this may lead to a disciplinary meeting held by either the manager, practice head or another manager not included in the investigation process.</p> <p>See also the separate <i>Disciplinary Policy</i> document for more details of this meeting.</p>
9) Individual informed of outcome	<p>The individual under investigation is also informed of the outcome.</p>



## About Kocho

At Kocho, we believe greatness lies in everyone.

That's why we exist, to help ambitious companies realise their potential.

By combining the power of Microsoft cloud technology with world-class identity, cyber security and our team of talented people, we take our clients on a journey of secure cloud transformation.

And we're with you every step of the way. Because the path to greatness isn't walked alone. We help you adopt and embrace the right technology solutions at the right time.

The result? Sustainable and secure growth that amplifies your business success.

Kocho. Become Greater.



Think greater.




Better together.



Do what's right.



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