

*PRIVATE AND CONFIDENTIAL*

---

# **888 Holdings plc**

## **ANTI BRIBERY & CORRUPTION COMPLIANCE PROGRAM**

## **TABLE OF CONTENTS**

### **A. BACKGROUND**

- 1. The Company's new Anti-Bribery and Corruption Compliance Program**
- 2. Relevant local and international legislation relating to bribery and corruption**
- 3. Main Elements of Program**
- 4. Definitions**

### **B. CORPORATE POLICY OF ZERO TOLERANCE FOR BRIBERY AND CORRUPTION**

- 1. The Policy**
- 2. Board Resolutions**
- 3. Internal appointments and organizational structure dedicated to implementing supervising and enforcing the Policy**
- 4. The Policy shall comply with the most stringent applicable local and international standards and requirements**
- 5. Zero tolerance of non-compliance**

### **C. POLICY GUIDELINES AND REQUIREMENTS FOR EMPLOYEES OF THE COMPANY**

- 1. Employee Hiring**
- 2. Policy and Guidelines to Employees concerning the giving and receiving of gifts**
- 3. Policy and Guidelines on Business Hospitality**
- 4. Red Flags**
- 5. Reporting/Whistle-blowing**
- 6. Obligation of all Employees to co-operate fully with the Compliance Manager**
- 7. The Employees will be familiar with the Policy**

**D. POLICY GUIDELINES AND REQUIREMENTS FOR BUSINESS ASSOCIATES**

- 1. The Company shall convey to all Business Associates a clear message of zero-tolerance of bribery and corruption**
- 2. Due diligence process required for new Business Associates**
- 3. Generic provisions in all contracts with Business Associates**
- 4. "Red Flags"**
- 5. Engagements with Intermediaries**

**E. SUPERVISION, ENFORCEMENT AND REPORTING**

- 1. Supervision and Enforcement Plan**
- 2. Empowerment of the Compliance Manager**
- 3. Reporting by the Compliance Manager**
- 4. External Auditors**
- 5. Internal Auditor**
- 6. Handling Red Flags**
- 7. Rigorous Enforcement Policy**

**F. TRAINING AND DISSEMINATION**

- 1. Dissemination of Policy Documents to all Employees**
- 2. Employee Training**
- 3. Dissemination of Violations and Enforcement Measures**

**G. RECORDS AND BOOK-KEEPING**

- 1. Clear records of all transactions, assets and disbursements**
- 2. Zero-tolerance for "off-the-book" transactions**
- 3. External Auditors**

**LIST OF APPENDICES**

<b>APPENDIX 1</b>	<b>RELEVANT LEGISLATION</b>
<b>APPENDIX 2</b>	<b>THE POLICY DOCUMENT</b>
<b>APPENDIX 3</b>	<b>BOARD RESOLUTIONS</b>
<b>APPENDIX 4</b>	<b>POLICY AND GUIDELINES ON BUSINESS HOSPITALITY AND GIFTS</b>
<b>APPENDIX 5</b>	<b>EXAMPLES OF RED FLAGS</b>
<b>APPENDIX 6</b>	<b>LETTER OF NOTIFICATION OF THE POLICY TO EMPLOYEES</b>
<b>APPENDIX 7</b>	<b>LETTER OF NOTIFICATION TO POTENTIAL BUSINESS ASSOCIATES</b>
<b>APPENDIX 8</b>	<b>GUIDELINES ON DUE DILIGENCE</b>
<b>APPENDIX 8(a)</b>	<b>DUE DILIGENCE COMPLIANCE FORM</b>
<b>APPENDIX 8(b)</b>	<b>DUE DILIGENCE QUESTIONNAIRE</b>
<b>APPENDIX 9</b>	<b>CLAUSES FOR CONTRACTS WITH BUSINESS ASSOCIATES</b>
	<b>Version 1: Unilateral</b>
	<b>Version 2: Bilateral</b>
<b>APPENDIX 10</b>	<b>SUPERVISION AND ENFORCEMENT PLAN</b>

## **ANTI BRIBERY & CORRUPTION COMPLIANCE PROGRAM**

### **A. BACKGROUND**

#### **1. The Company's zero tolerance for bribery and corruption, and its decision to establish a new Anti-Bribery and Corruption Compliance Program**

888 holdings plc (the "Company") is a company incorporated under the laws of Gibraltar and publicly traded on the London Stock Exchange. As used throughout this Anti-Bribery & Corruption Compliance Program, the term "Company" shall mean and include the Company and all its subsidiaries.

#### **2. Relevant local and international legislation relating to bribery and corruption**

**Appendix 1** to this program sets forth a brief summary of the relevant laws relating to bribery and corruption in the principal locations in which the Company conducts business.

**It is emphasized that the provisions of this Policy are in addition to any limitation applicable to the Company's activities pursuant to any relevant local law.**

**It is further emphasized that any procedure or approval which is required hereunder is in addition to, and not instead of, any other approval which is required by the Company's policies.**

#### **3. Main Elements of the Program**

The main elements of the Company's new Anti-Bribery and Corruption Compliance Program are as follows:

- (a)** The development of a clear corporate policy of zero tolerance of bribery and corruption.
- (b)** The development and dissemination of clear guidelines for employees of the Company, in relation to the Company's zero tolerance of bribery and corruption.
- (c)** The development and dissemination of clear guidelines for actual or potential business associates of the Company (i.e. third parties with whom

the Company has entered into, or contemplates entering into, a business relationship), including Intermediaries, in relation to the Company's zero tolerance of bribery and corruption.

- (d) The establishment of effective internal supervision, enforcement and reporting mechanisms to ensure continuous compliance with the Company's anti-bribery and corruption policy.
- (e) The development of effective training and dissemination procedures within the Company in relation to its anti-bribery and corruption policy.
- (f) The maintenance of accurate books and records, and adequate internal controls.

#### 4. **Definitions**

**For the purposes of this Program the following terms shall have the meaning set out hereinafter:**

- (a) **Intermediaries** - agents, finders, brokers, the compensation of which contains any contingent element as well as any lobbyist who communicates with Government Officials about formulating or amending legislation, government rules, regulation, policy, license conditions or any similar matters.
- (b) **Business Associates** - means any intermediaries remunerated on the basis of retainer fees, and/or consultants and/or sub-contractors and/or suppliers and/or licensees and/or licensors and/or business partners and/or joint venture partners and/or any other person or entity, with whom the Company has entered into, or is considering entering into, some direct or indirect business relationship in the company's field of business.
- (c) **Business Hospitality** - As defined in clause 3(a) of Appendix 4.
- (d) **Gift** - Is any gratuitous payment, present, loan, donation, service, benefit or other thing of value, whether in cash or in kind, and whether directly or through a Third Party.
- (e) **Government Entity** – any of the following:
  - i. any governmental, regulatory or other authority, or other entity empowered with powers similar to the foregoing;
  - ii. any political party;

- iii. any agency or subdivision of a governmental authority or political party including but not limited to, any federal, regional or local department, or any agency, or enterprise owned or controlled by any of the foregoing;
  - iv. any government-owned or controlled commercial entities;
  - v. any government-owned or controlled organizations including, but not limited to, not for profit organizations;
  - vi. any public international organization; and
  - vii. any government-licensed or statutorily regulated commercial entity.
- (f) **Government Officials** - any official, employee or officer of any Government Entity, including any candidate for political office.
- (g) **Government-Related Transactions** - any negotiation, transaction, contract or agreement, as well as implementation thereof, with a Government Entity.
- (g) **Guests** - potential customers, employees of Business Associates and other third parties.
- (h) **Red Flag** - activity or incident which raises a concern of inappropriate behavior, including any of the actions or activities listed in Appendix 5 to this Compliance Program.
- (i) **Third Party** - is any person or entity other than another employee of the Company.
- (j) **Policy** – The document attached herein as Appendix 2.
- (k) **Potential High Risk Business Associate** – As defined in Appendix 8

## **B. CORPORATE POLICY OF ZERO TOLERANCE FOR BRIBERY AND CORRUPTION**

### **1. Risk Assessment**

The Company, in coordination with its external advisors, has examined its existing businesses, policies and procedures, and has prepared a Risk Assessment identifying potential risk areas regarding bribery and corruption and containing recommendations as to measures aimed at mitigating such exposures. This Anti Bribery and Corruption Compliance Program is based on and seeks to implement the recommendations of the Risk Assessment. It is noted that the Risk Assessment should be reviewed and updated on a regular basis in light of changes in the policies and procedures and/or business and/or risk profile of activities of the Company and this Anti Bribery and Corruption Compliance Program updated accordingly.

### **2. The Policy**

Attached as **Appendix 2** is the policy document (the "**Policy Document**"), approved by the Board of Directors of the Company. The Policy Document sets out the Company's policy of zero tolerance for bribery and corruption (the "**Policy**").

### **3. Board Resolutions**

The following resolutions have been passed by the Board of Directors of the Company (the "**Board**"):

- (a) A resolution adopting the Policy Document as a Policy of the Company.
- (b) A resolution adopting the anti-bribery and corruption compliance program that implements the principles of the Policy Document (the "**Compliance Program**").
- (c) A resolution directing the Internal Audit Committee ("**IAC**") of the Company to be responsible for monitoring the activities of the Anti Bribery and Corruption Compliance Manager of the Company, as outlined in the Policy Document.

The full text of all of the above resolutions is set forth in **Appendix 3** to this Compliance Program (entitled "Board Resolutions").

### **4. Internal appointments and organizational structure dedicated to implementing supervising and enforcing the Policy**

- (a) **Appointment of a senior employee of the Company to direct and manage the implementation of Policy**



Pursuant to the aforementioned Board resolutions in Appendix 3, a senior employee of the Company has been appointed as head of the Anti-Bribery and Corruption Compliance Program of the Company. Such senior employee (the "Compliance Manager") shall, in addition to his other responsibilities, be charged with implementation, management and enforcement of the Policy and this Compliance Program regarding all of the Company's activities.

If required for the implementation of this Compliance Program, additional assistant compliance managers may be appointed within specific companies of the 888 group or in specific areas. All such assistant compliance managers will report to the Compliance Manager.

**(b) The Compliance Manager's duties**

The Compliance Manager shall report directly to the Company's CEO or equivalent function holder (the "CEO") and to the IAC, as appropriate. The Compliance Manager shall submit twice yearly reports to the IAC, detailing the activities taken for the purpose of implementing the Compliance Program during the preceding six months. The IAC and the Compliance Manager will hold meetings on the implementation of the Policy and the Compliance Program, and discuss any updates and amendments which need to be made.

The Compliance Manager shall establish, engage in, enforce and lead all of the following activities:

- Implementation of all resolutions and directives of the Board and/or the IAC relating to the Policy and the Compliance Program.
- The fleshing out of all additional Policy related requirements and directives of the Board into detailed, practical and effective written instructions and guidelines to be distributed to all employees of the Company, which instructions and guidelines shall be designed to achieve compliance with and implementation of the Policy at all levels and in all business dealings and relationships.
- The establishment and conducting of internal training of employees of the Company with respect to the Policy, as detailed in Section F of this Compliance Program.
- The investigation of every alleged failure to comply strictly with the Policy and the establishment of remedial and preventative procedures, as well as appropriate disciplinary procedures, to preclude the recurrence of any such failure.

- The encouragement of all employees to report to the Compliance Manager or to the designated personnel as detailed in paragraph 5 of Section C below, including on a confidential basis, any conduct by any other employee which may constitute a breach of the Policy (i.e. "whistle-blowing").
- Responding, in accordance with the Compliance Program, to any Red Flag.
- Supporting the Company's legal counsel and/or human resources department in formulating and disseminating mandatory letters to be given to all employees, to ensure awareness of the Policy and compliance with the Policy by all employees.
- Approving the completed due diligence forms which have been filled out by the relevant Sales/Business Development person responsible for a potential High Risk Business Associates, and by the Business Associates as a condition precedent to the Company entering into any business relationship with such entity.
- Supporting the Company's legal counsel in ensuring that appropriate clauses relating to the Policy are inserted in all contracts between the Company and each of its Business Associates. Such clauses shall make it clear that the Company will be entitled to terminate any business relationship with a Third Party who fails to comply with the Policy.
- To work closely with the Company's legal counsel and external consultants (if required) in keeping abreast, of all changes and updates to existing relevant legislation/regulations/ governmental policies, and all new and/or proposed relevant legislation/ regulations/ governmental policies, relating to the combating and prohibition of bribery and corruption.
- Disseminating within the Company appropriate notifications and updates, to ensure that all employees of the Company are aware of the latest developments and updates in the Policy.
- The preparation of twice yearly reports to the IAC, and participation at all meetings of such IAC addressing anti-corruption and bribery issues.

**(c) Appointment of the IAC to supervise and verify implementation of the Policy**

The Board has tasked the IAC to supervise and verify implementation of the Policy.

In exercising its functions under this Compliance Program, the IAC will act in accordance with its existing rules and procedures including in relation to voting rights and procedures.

The activities and responsibilities of the IAC in relation to this Compliance Program will include, *inter alia*, the following:

- The IAC will be notified by the Compliance Manager of all Red Flag related events. The IAC will assist the CEO and the Compliance Manager in taking decisions on the steps that need to be taken in such cases.
- The IAC shall meet with the Compliance Manager once a year, to review reports to be submitted by the Compliance Manager. At each such meeting, the Compliance Manager shall make a presentation as to all Policy activities conducted during the period since the last meeting including, *inter alia*, reports regarding new territories of operation of the Company, and the relevant legislation in these territories regarding anti bribery and corruption, and training that has been executed. In addition, the Compliance Manager shall answer any questions raised by the IAC in relation to such activities. The Compliance Manager shall take all reasonable steps to implement any recommendations made by the IAC with respect to the Policy.
- In addition, the IAC will convene, on an ad hoc basis, when requested to do so by one of its members, the Compliance Manager, the Internal Auditor or the CEO of the Company.

**(d) Annual review by the Board**

Once a year, as part of one of its scheduled meetings, the Board will conduct an annual review of the Company's implementation of the Policy and this Compliance Program. As part of this review, the Board shall consider the adequacy of all measures and procedures taken to implement and enforce the Policy and the Compliance Program, and shall recommend to the CEO and to the Compliance Manager relevant required updates and amendments to the existing measures and procedures.

**5. The Policy shall comply with the most stringent applicable local and international standards and requirements**

The Policy of the Company shall comply with the applicable local and international standards and requirements, and shall be regularly updated to ensure continued compliance as those applicable standards and requirements change, from time to time.

## **6. Zero tolerance of non-compliance**

In the event that any employee is found to be in breach of the Policy, the Company shall be entitled to immediately dismiss such employee for breach of his contract of employment with the Company. Similarly, if any Third Party which has a business relationship with the Company is found not to comply with the requirements of the Policy the Company shall be entitled to terminate that business relationship.

## **C. POLICY GUIDELINES AND REQUIREMENTS FOR EMPLOYEES OF THE COMPANY**

### **1. Employee Hiring**

The Company will not knowingly employ any person who has a record of behavior or a background which is inconsistent with the Policy.

### **2. Policy and Guidelines to Employees concerning the giving and receiving of Gifts**

- (a)** Except only as otherwise expressly authorized pursuant to paragraph 2(c) of this Section C, no employee of the Company (including freelance employees, sub-contractors or other forms of employees) shall engage, either on their own behalf, or on behalf of the Company, or on behalf of any Third Party, in the making or authorization or offer or promise of any Gift to any Third Party including Government Official, in connection with or in furtherance of any present or prospective business activity/opportunity of the Company or of any business venture in which the Company is a participant, regardless of whether or not the donor or recipient of such Gift actually intends such Gift to be construed as a bribe, and regardless of whether or not the donor or recipient of such Gift actually intends such Gift to have any influence on the Third Party or terms or prospects of any bid/tender/proposal/transaction.
- (b)** No employee of the Company shall accept or receive, either on their own behalf, or on behalf of the Company, or on behalf of any Third Party, any Gift from Third Party, connected with or arising in any way from the employee's employment with the Company, except only as expressly authorized pursuant to paragraphs 2(c) of this Section C.
- (c)** Notwithstanding the general prohibition against receiving or giving Gifts, the Company recognizes that in certain cultures, the giving, exchanging and acceptance of modest Gifts (e.g. Gifts which reflect local culture or history), are matters of etiquette and custom as gestures of friendship, and are not construed as bribes or as attempts to influence business decisions. Indeed,

the non-giving or non-acceptance of such Gifts may be construed as insulting. Accordingly, in order not to cause any such insult, such local customs shall be taken into account, and the Company has formulated updated guidelines and rules regarding the giving and receipt of Gifts as set forth in **Appendix 4** ("Policy and Guidelines on Business Hospitality and Gifts") to this Compliance Program. All employees shall strictly conform to the Company's updated policy and guidelines regarding the giving and receipt of Gifts, as set forth in **Appendix 4** to this Compliance Program.

### **3. Policy and Guidelines on Business Hospitality**

All employees shall conform to the Company's updated policy and guidelines regarding business hospitality towards any Third Party including Government Official, as set forth in **Appendix 4** ("Policy and Guidelines on Business Hospitality and Gifts") to this Compliance Program.

### **4. Red Flags**

In the event that an employee encounters any Red Flag that employee shall immediately:

- (a) cease and desist from all activities connected with such "red flag"; and
- (b) report such "red flag" to the Compliance Manager; and
- (c) take written notes of the discovery, nature and facts of such "red flag", and submit such notes to the Compliance Manager; and
- (d) act in relation to such "red flag" solely in accordance with the Compliance Manager's instructions.

The Compliance Manager will handle all such Red Flags in accordance with the provisions of Section E of this Compliance Program ("Supervision, Enforcement and Reporting").

### **5. Reporting/Whistle-blowing**

Any personnel of the Company who knows or suspects any action or activity by any other employee of the Company (including an immediate superior or boss), or by any business partner of the Company, or by any other Third Party, which is, or arouses suspicion that it may be, inconsistent with the Policy (e.g. a "Red Flag") shall be obligated to bring said red flag to the immediate attention of the Compliance Manager or the chairman of the IAC in accordance with the "Group-wide whistle-blowing policy".

Notwithstanding the provisions of the "Group-wide whistle-blowing policy", after investigation of Red Flag the Compliance Manager will submit his findings, conclusions and recommendations to the CEO and the chairman of the IAC, to be handled in accordance with the provisions of Chapter E of this Compliance Program ("Supervision, Enforcement and Reporting").

**6. Obligation of all Employees to co-operate fully with the Compliance Manager**

All employees of the Company, including the CEO of the Company, shall co-operate fully and courteously, and in a timely manner, with all requests and directives of the Compliance Manager.

**7. All Employees shall be made familiar with the Policy**

- (a) All Employees shall be made familiar with the Policy and with Appendix 4 to this Anti-Bribery and Corruption Compliance Program (Policy and Guidelines on Business Hospitality and Gifts)
- (b) All existing employees upon the entry into force of this Compliance Program, and all new employees prior to starting work for the Company, shall be given a copy of a letter issued by the Company in the form and terms of the letter set forth in **Appendix 6**.

**D. POLICY REQUIREMENTS FOR BUSINESS ASSOCIATES**

**1. The Company shall convey to all Business Associates a clear message of zero-tolerance of bribery and corruption**

- (a) The Company shall convey to each of its Business Associates a clear and unambiguous message of the Company's zero-tolerance of bribery and corruption. This message may be conveyed in various ways as described in this Section D of this Compliance Program.
- (b) All prospective Business Associates shall be notified of the Company's zero tolerance of bribery and corruption at the first contractual engagement between the Company and such Business Associates (e.g. together with the presentation of a draft NDA if applicable). Such notification shall be incorporated into the Company contractual documents or shall be sent by

means of a standard letter of notification in the form set forth in **Appendix 7** to this Compliance Program.

- (c) The notification to Business Associates will be also published on the company's web site.

## **2. Due diligence process required for new Business Associates**

- (a) The company shall conduct a due diligence process in relation to Potential High Risk Business Associates in accordance with the guidelines and definitions set forth in **Appendix 8**. The nature of such due diligence shall depend on what information is available or obtainable and the nature of the proposed business relationship, but the due diligence process may include all or some of the following:
  - (i) Reviewing whatever public domain information is available on such Potential High Risk Business Associate (as defined in Appendix 8) via the internet;
  - (ii) Investigating whether there have been any criminal proceedings or investigations or convictions against such Potential High Risk Business Associate;
  - (iii) seeking and taking up references from other parties who have done business with such Potential High Risk Business Associate;
  - (iv) requiring such Potential High Risk Business Associate to complete an anti-bribery and corruption due diligence questionnaire form.
- (b) The Business Development department will be responsible to conduct the due diligence process and to inform the Compliance Manager of any Red Flag or other suspicious findings regarding any Potential High Risk Business Associates.
- (c) The approval by the Compliance Manager, as indicated by his signature on the Due Diligence Compliance Form, will be a condition precedent to the Company entering into any business relationship with any Potential High Risk Business Associate for whom the due diligence process is required as per the provisions of Appendix 8.
- (d) In the event that the due diligence process raises a concern or suspicion of inappropriate or unacceptable behavior by the Potential High Risk Business Associate, the Compliance Manager shall submit the issue to the Company

CEO, in accordance with the provisions of Section E of this Compliance Program ("Supervision, Enforcement and Reporting").

### **3. Generic provisions in all contracts with Business Associates**

- (a) Each Business Associate with whom the Company actually engages in any business relationship with a view to bidding for or securing or performing any transaction shall be required, in the contract or other document giving effect to such business relationship, or in a separate signed written certification, to confirm and undertake in writing to the Company that such Business Associate has not performed and will not perform, directly or indirectly, any of the activities which are prohibited under the Company's Anti-Corruption Compliance Policy. Such undertaking, if given by an entity, shall be signed by an officer of that entity authorized to bind such entity. Recommended unilateral and bilateral formulations for such undertakings, to be used as appropriate, are attached as **Appendix 9**. The Company need not use the exact formulations in Appendix 9, but should use at least clauses which are substantially similar in substance.
- (b) Where there are existing business relationships with Business Associates, the Company shall exercise reasonable efforts to insert the undertaking set forth in Appendix 9 into the contracts with such existing Business Associates upon renewal or amendment of such contracts.

### **5. "Red Flags"**

Throughout every relationship which the Company has with each Business Associate, the Company shall continue to diligently remain on the alert with such Business Associate for any Red Flags and potential misconduct or behavior inconsistent with the Policy.

In case of a Red Flag arising during an ongoing relationship with a Business Associate, the Company will act in accordance with the provisions of Section E of this Compliance Program ("Supervision, Enforcement and Reporting").

### **6. Engagement with Intermediaries**

In addition to, and without derogating from, the foregoing general provisions of this Section D, the following specific provisions apply with respect to engagement by the Company of Intermediaries:



**(a) Due Diligence**

- (i)** Before entering into a relationship with any new Intermediary, the Company must conduct a due diligence procedure as required under Article 2 above and Appendix 8.
- (ii)** In the event that an Intermediary completes a questionnaire, but then ceases activity with the Company for at least a year, it shall be required to complete a new questionnaire prior to any new activity with the Company.
- (ii)** In the event that the due diligence process raises a concern or suspicion of inappropriate or unacceptable behavior by the potential Intermediary, the Company will handle the event in accordance with the provisions of Section E 6(b) of this Compliance Program ("Supervision, Enforcement and Reporting").

**(b) Negotiation with Intermediaries**

The Company representative shall write full protocol of each meeting and keep all the written materials in an Intermediary file, to be handled by the Compliance Manager.

**(c) Payment to Intermediaries**

The following requirements apply regarding payments to any Intermediaries:

- (i)** No payments may be made in cash.
- (ii)** No payments may be made payable to any party other than the Intermediary at the Intermediary's normal place of business.
- (iii)** No payments may be made to an account outside of the country where the Intermediary performs services.

**(d) Levels of Intermediary's Commission**

- (i)** Levels of commission paid or payable by the Company to Intermediaries and other intermediaries shall be in accordance with the customary levels of commission then payable to other Intermediaries operating in the same country for the same type of product or services. Such customary levels of commission shall, if possible, be independently verified (e.g. by consulting with one of

the large international accounting firms operating in the territory in question) ("the Customary Commission Level").

- (ii) The amount/rate of any commission payable by the Company must be reasonable for the services provided and costs incurred by the Intermediary to include, *inter alia*: (a) the extent, scope and duration of services to be provided and activities to be conducted by the Intermediary at such Intermediary's own risk and expense in support of the transaction (including marketing, negotiation and bidding stages); and (b) the value to the Company of the costs to be incurred by the Intermediary when providing services in support of the above activities.
  - (iii) In the event that a proposed agreement with an Intermediary would entitle that Intermediary or a Third Party to a commission payment which exceeds the Customary Commission Level, the Compliance Manager shall refer the issue to the CFO. The CFO will decide, based upon the circumstances of the case, whether to approve or refuse the proposed commission. The decisions shall be in writing and shall be brought to the attention of the CEO.
- (e) Other Contract Terms**
- (i) The Company's template agreement with Intermediaries must contain a clause whereby the Intermediary confirms its understanding and obligation to comply with all relevant anti-corruption laws. The clause is mandatory and non-negotiable and is part of the Company's template agreement.
  - (ii) The Company's template agreement with Intermediaries shall contain a specific clause which requires the Intermediaries to certify annually that they have in fact complied with all laws and policies.
  - (iii) The Company's template agreement with Intermediaries should prohibit the Intermediary from assigning its rights to a third party that has not been vetted to the same high standards, and from employing a third party to provide the services outlined in the agreement without first obtaining the approval of the Company.
  - (iv) The Company's agreement with Intermediaries should allow the Company to audit the Intermediary's books and records upon credible allegations of misconduct or reasonable suspicion of improper payments.

- (v) The Company's template agreement with Intermediaries shall contain a clause under which no payments should be made to Intermediaries other than in strict accordance with the terms of the agreements.
- (vi) The Company's template agreement with Intermediaries shall contain a clause that all payments due to any Intermediary shall be made by bank wire transfer to the bank account registered in the name of the Intermediary at a designated bank in the country where the Intermediary resides.
- (vii) All contracts with Intermediaries must be reviewed and approved by the relevant Compliance Manager.

**(f) Records**

All records reflecting the work performed by Intermediaries and the nature of payments to them, including the due diligence documents, the agency agreement and all records of meetings and resolutions regarding the terms of its consideration (including level of commission), must be kept on file at the Company for a minimum of 7 years.

**(g) Zero Tolerance for Payments by Intermediaries to Government Officials and other Third Parties**

The Company and its employees shall not agree to pay or make any payment to an Intermediary, if they are aware of facts indicating that all or some portion thereof is likely to be given by the Intermediary to a Government Official (including employees of government-owned or controlled commercial entities) or other Third Party, in order to obtain or retain business, either by influencing a decision or gaining an improper advantage.

## **E. SUPERVISION, ENFORCEMENT AND REPORTING**

### **1. Supervision and Enforcement Plan**

The Compliance Manager who is subject to the IAC, shall be responsible for monitoring and verifying compliance with all requirements of the Policy, in accordance with the plan set forth in **Appendix 10** ("Supervision and Enforcement Plan") to this Compliance Program.

## 2. **Empowerment of the Compliance Manager**

The Compliance Manager shall be empowered to conduct reviews and verification activities, and shall establish mechanisms, for ensuring familiarity and compliance with the guidelines.

## 3. **Reporting by the Compliance Manager**

The Compliance Manager shall issue twice yearly reports to the IAC, detailing the steps taken to disseminate, supervise and enforce the Anti-Bribery and Corruption Compliance Program. A copy of each such report shall be provided to the Internal Auditor.

## 4. **External Auditors**

The external auditors of the Company shall be made familiar with the Policy.

## 5. **Internal Auditor**

The internal auditor of the Company shall be familiar with the Compliance Program and shall be provided with copies of all reports submitted to the IAC in relation to the implementation of the Policy and this Compliance Program.

## 6. **Handling Red Flags**

(a) The Compliance Manager shall submit each Red Flag event to the CEO, CFO, and to the chairman of the IAC, after concluding the required preliminary investigation.

(b) **In cases of Red Flag events relating to a possible transaction with a new Business Associate (including Intermediaries)** - the Company CEO, in consultation with the Compliance Manager, may decide either to:

(i) terminate the relationship with the new Business Associate; or

(ii) conduct an additional in-depth investigation into the matter. The exact details of such investigation are fact dependent, but should include all relevant potential aspects.

Following an in-depth investigation and dependent on its findings and results, the CEO may, in consultation with the Compliance Manager, decide

to continue the relationship with the new Business Associate. All such decisions shall be in writing, and shall be brought to the attention of the IAC.

- (c) **In cases of Red Flag events which arise out of a due diligence process relating to a possible agreement with a new Intermediary** – in addition to the provisions of (b) above, any decision to continue the relationship with the new Intermediary shall require a decision of the IAC.
- (d) **In cases of Red Flag events which arise in the course of the Company's ongoing business** - the Company CEO, in consultation with the Compliance Manager and other relevant senior personnel (e.g. the CFO and the General Counsel), will determine the necessary steps to be taken by the Company. All such decisions shall be in writing and shall be brought to the attention of the IAC. The IAC may decide to convene to address any such decision, in which case the IAC's final decision will be binding.

## **7. Rigorous Enforcement Policy**

The Company in general, and the Compliance Manager in particular, shall enforce the Policy rigorously, including, but not limited to, exercising the right to terminate contracts of employees and Business Associates who fail to comply with the Policy.

## **F. TRAINING AND DISSEMINATION**

### **1. Dissemination of Policy Documents to all Employees**

All employees of the Company shall be furnished with:

- (a) a copy of the Company's Anti-Bribery and Corruption Compliance Policy Document, by means of a notification letter in the form set out in **Appendix 6** to this Compliance Program, and
- (b) a copy of the policy and guidelines on gifts and business hospitality (**Appendix 4**)

A copy of the Policy and Appendix 4 will be published on the Company's internal web-site.

### **2. Employee Training**

After the formal adoption of the Policy by the Company, the Compliance Manager shall ensure the development and implementation, of a program of training for all Board and management members, identified sales and marketing, finance, Human Resources and business development personnel (the "**Relevant Personnel**"), on, inter alia:

- (a) The Anti-Bribery and Corruption Compliance Program of the Company, and its practical implementation and enforcement;
- (b) Business hospitality guidelines and practice;
- (c) Conducting due diligence vetting of Potential High Risk Business Associates;
- (d) Identifying, and how to act when confronted with, Red Flags;
- (e) Updates on changes in applicable laws/regulations;
- (f) Powers and authority of the Compliance Manager, and the obligation to cooperate with the Compliance Manager;
- (g) Obligation to report suspicious behavior/whistle-blowing in confidence, and the channels available to employees for such reporting;
- (h) Examples of behavior which is permitted and behavior which is not permitted;

The training will be conducted by means of one or more seminars/lectures/presentations ("**Sessions**").

The attendance of the Relevant Personnel at the Sessions will be mandatory. However, attendance need not necessarily be in person, and can be through webinars, video conferencing etc.

All Relevant Personnel shall be required to participate in periodic internal refresher Session, and possibly additional Sessions, as directed by the Company's management or the IAC.

The Sessions will be structured and organized so as to ensure that all Relevant Personnel are updated on changes and developments in the requirements and/or implementation of the Policy, and/or in the worldwide fight against bribery and corruption. The Sessions shall also serve as a forum for updating Relevant Personnel on recent incidents within the Company which require clarification of the Policy. A record of all training Sessions shall be kept on file at the Company for a minimum of 7 years.

### **3. Dissemination of Violations and Enforcement Measures**

The Compliance Manager shall periodically disseminate, among the Relevant Personnel, a summary of any recent violations of the Policy (described in generic terms, so as not to identify the personnel involved), and the actions taken to enforce the Policy.

## **G. RECORDS AND BOOK-KEEPING**

### **1. Clear records of all transactions, assets and disbursements**

The Company must make and keep books, records and accounts which, in reasonable detail, accurately and fairly reflect the Company's transactions and assets, and it must maintain an adequate system of internal accounting controls. All disbursements (expenditures, gifts, business hospitality and any other payments) must be accurately and reliably reported and recorded. All accounting records, expense reports, invoices, vouchers, and other business records must be accurately and fully completed, properly retained, and reliably reported and recorded. The following are examples of prohibited records (please note that this is not an exhaustive list):

- (a) Creating records that inaccurately characterize the true nature of a transaction or payment (e.g recording a payment as an "overhead expense" instead of as a "commission");
- (b) Creating or maintaining any unrecorded fund or asset of the Company, such as a "slush fund" or an unrecorded petty cash or "black box";
- (c) Establishment or maintaining bank accounts that contain Company funds but are held in the names of individuals;
- (d) Approving or making any payment on behalf of the Company with the intention or understanding that any part of it is to be used for any purpose other than that described by the document supporting the payment.

### **2. Zero-tolerance for "off-the-book" transactions**

No accounts may be kept "off-book" in order to facilitate or conceal improper payments. No funds or transactions may be labeled only as "miscellaneous" and all cash transactions must be individually and accurately recorded. Each transaction entered into by Company personnel must have proper internal authorization and approval. Undisclosed or unrecorded funds, accounts, assets or payments may not be established or retained for any purpose. Attempts to circumvent or evade the Company's internal accounting controls are prohibited.

### **3. External Auditors**

The external auditors of the Company shall be made aware of the Policy, and shall be required to alert the Compliance Manager of any disbursements or transactions, or activities which may be in contravention of the Policy.



# **APPENDICES**

## **APPENDIX 1**

### **RELEVANT LEGISLATION**

This Appendix 1 sets forth a brief summary of some of the relevant laws relating to bribery and corruption in the principal locations in which the Company conducts business. This summary is merely an indication of those laws, and is not to be relied upon as a definitive statement of those laws or as an exhaustive list of applicable jurisdictions. In each country in which the Company conducts business, local lawyers should be consulted as to the precise provisions of the applicable laws, how those provisions are interpreted and enforced, and any relevant local norms of behavior.

#### **A. Gibraltar**

Gibraltar has enacted the Crimes Act 2011, which is expected soon to come into force. This new legislation contains all the bribery provisions within the UK legislation described below, except that: (i) There is no requirement in the Gibraltar Act for the Minister for Justice to publish guidance; and (ii) There is no equivalent Serious Fraud Office in Gibraltar, so all prosecutions will be determined by the Attorney-General.

#### **B. United Kingdom**

The UK Bribery Act 2010 (the “**UK Act**”), which came into force in July 2011, prohibits bribery of any person, both from the public and private sector. Acts of bribery committed by any one (individual, corporation or unincorporated body) in the UK, or if outside the UK, by, a corporate entity incorporated in the UK or by a British citizen or any other person with a close connection to the UK. In addition, a corporate offence of failing to prevent bribery applies to any UK incorporated company or any company incorporated outside of the UK but which carries on business or part of a business in the UK. As a consequence, all the Company employees who are British citizens (whether resident in the UK or not) or who are ordinarily resident in the UK (regardless of citizenship), as well as all employees of entities within the group that are incorporated in the UK or carry on business or part of a business in the UK are subject to the UK law.

The sanctions for violations of bribery under UK law are as follows:

- (a) An individual who violates the offence of giving a bribe, taking a bribe, or bribing a foreign public official is liable to 10 years imprisonment.
- (b) For the failure of a commercial organization to prevent a bribe, there is an unlimited monetary penalty.

- (c) In addition to the provisions of the Bribery Act, other legislation may be used to increase fines:
- (i) Confiscation Order – all profits of the offender which stem from the prohibited act may be confiscated.
  - (ii) Disqualification as a Director Order – English courts may disqualify an individual from acting as a director in any corporation for an unlimited period.
  - (iii) Other Derivative Orders.

## C. ISRAEL

The Company is also subject to Israeli law, and specifically to Clauses 290 to 297 of the Israeli Penal Code which contain the basic prohibition and punishment of bribery and corruption under the laws of Israel. Of particular importance is the recently added Clause 291A of the Israel Penal Code which prohibits bribes to foreign public officials. The main elements of the Israeli law are as follows:

### 1. The anti-bribery provisions of the Israeli Penal Code

- (a) The anti-bribery provisions of the Israeli Penal Law apply to the following potential givers of bribes:
- (i) with respect to bribery offences committed, or planned to be committed, wholly or partly within the territory of the State of Israel ("Domestic Bribery") - to any person or entity committing such crimes, regardless of whether the person or entity committing such crimes is a citizen or resident of Israel, and regardless of whether the entity committing such crimes is registered or incorporated in Israel; and
  - (ii) with respect to bribery offences which are not Domestic Bribery ("Foreign Bribery") - to any person who was a citizen or resident of Israel, or any entity registered or incorporated in Israel, at the time the offence was committed, or at any time thereafter.
- (b) The Israeli Penal Law provisions on bribery deal apply to the following potential recipients of bribes:
- (i) **An Israeli "public official"**, who is defined as being any of the following:
    - An employee of the State (including a soldier)
    - An employee of a local governmental authority or local education authority

- An official of a religious institution
- An employee of the National Insurance Institution
- An employee of the Bank of Israel
- An employee of any of the following: The World Zionist Organization, the Jewish Agency, the JNF, Keren Hayesod, the UJA, and any of their respective,
- An employee of any plant, institution fund or other body with respect to the management of which the Government participates.
- An arbitrator
- The holder of any title or position created by law, whether by appointment or election, if not otherwise covered by the previous categories
- Every employee or director of any government (State-owned) company or subsidiary thereof, and any person whose services are engaged by such company/subsidiary
- An employee of a body corporate that provides a service to the public.

(ii) A "**foreign public official**", who is defined as being any of the following:

- An employee of a "foreign country" (including, but not limited to, any national, district or local governmental unit in the foreign country), and any person holding a public office or exercising a public function on behalf of a foreign country (including its legislative, executive or judicial branches thereof); or
- A person holding public office or exercising a public function on behalf of a public body constituted by an enactment of a foreign country or of a body over which the foreign country exercises direct or indirect control; or
- An employee of a public international organization and any person holding a public office or exercising a public function for a public international organization. (For this purpose "public international organization" means any organization formed by two or more countries).

(c) If a person received money, valuable consideration, a service or other benefit in order to give a bribe, or to induce an Israeli or foreign public official to give undue preference or to practice discrimination, then he shall be treated as a public official who has taken a bribe.

(d) If a person is a candidate for a position (of an Israeli public official or a foreign public official), even though he has not yet been

appointed/elected, or if he has been appointed/elected but has not yet begun to perform the role of such position, he shall be treated like a person who already holds and performs the role of such position.

**2. The main elements of the anti-bribery provisions of the Israeli Penal Code**

- (a)** The Israeli Penal Law proscribes:
  - (i)** Bribing an Israeli public official in return for an act connected with his position.
  - (ii)** Bribing a foreign public official in return for an act in connection with his position.
- (b)** The giver and recipient of the proscribed bribe will both be criminally liable.
- (c)** The nature of the bribe is immaterial. It can be:
  - (i)** in cash or in kind or any other benefit;
  - (ii)** to induce an act or omission, or acceleration or delay or impediment, or preference or discrimination;
  - (iii)** to induce a specific act or omission or to obtain preferential treatment in general;
  - (iv)** for an act of the person who took it, or for his influence on the act of another person;
  - (v)** for the benefit of the immediate recipient, or for the benefit of a Third Party;
  - (vi)** given directly or through an intermediary;
  - (vii)** given in advance or after the event which it is intended to influence;
  - (viii)** enjoyed by the person who took the bribe or by a Third Party; or
  - (ix)** to induce performance of or deviation from the acts which the public official ordinarily performs
- (d)** A person shall be treated as if he gave or received a bribe (as the case may be) if:
  - (i)** he solicited a bribe, even if the bribe wasn't actually given to him; or
  - (ii)** he offered or promised a bribe, even if it was refused.

**3. Sanctions for violations under Israeli law**

- (a)** For an Israeli public official who takes a bribe - 10 years imprisonment, or a fine in the amount of the higher of the following:
  - (i)** 1,130,000 New Israeli Shekels – if the recipient of the bribe is an individual.
  - (ii)** 2,260,000 New Israeli Shekels - if the recipient of the bribe is a body corporate.
  - (iii)** 5 times the actual or expected value of the bribe which the public servant received or intended to receive.
  
- (b)** For a person who bribes an Israeli public official or a foreign public official - 7 years imprisonment, or a fine at the same level as mentioned in (a) above for the recipient of the bribe.
  
- (c)** The provisions of the Penal Law do not preclude a civil claim.

**(E) Anti-Bribery Laws of other Countries**

The Company may also be subject to anti-bribery and corruption legislation of other countries in which the Company conducts business.

**APPENDIX 2**

**THE POLICY DOCUMENT**

**888 Holdings plc**

**CORPORATE POLICY OF ZERO TOLERANCE OF BRIBERY AND  
CORRUPTION, AND PRINCIPLES FOR A COMPLIANCE PROGRAM TO  
IMPLEMENT AND ENFORCE THE POLICY**

**MESSAGE FROM THE CHAIRMAN OF THE BOARD & THE CFO**

**888 Holdings plc** (the "Company") has a policy of zero tolerance of bribery and corruption. The Company therefore places a strong emphasis on strict compliance with all relevant local and international laws and recommendations which prohibit and regulate the ongoing battle against bribery and corruption.

Accordingly, in order to strengthen the Company's policy of zero tolerance of bribery and corruption (the "Policy"), the Company has decided to establish, implement and enforce a new and updated comprehensive anti-bribery and corruption compliance program (the "Compliance Program"), all as outlined in this document.

We trust that all employees and business associates of the Company will do their utmost to help us maintain the high ethical business standards and constant diligence required to establish, implement and maintain the Compliance Program. We urge all employees and business associates to immediately bring to our attention any and all incidents which raise any concerns of inappropriate behavior.

\_\_\_\_\_ 2012

**Richard Kilsby, Chairman of the Board**

**Aviad Kobrine, CFO**



## **THE POLICY OF ZERO TOLERANCE OF BRIBERY AND CORRUPTION**

The following are the primary principles of the Policy:

1. The Company shall not offer, give or receive bribes or inducements for any purpose, whether directly or through a Third Party.
2. The Company shall not knowingly enter into business relationships with any person or entity who gives or receives bribes or inducements for any purpose, whether directly or through a Third Party.
3. The Company shall comply with all applicable laws, regulations and contract requirements relating to the fight against bribery and corruption, as a minimum. Moreover, in the many instances where the Company sets its own higher standards, the Company shall apply these first.
4. The Company shall bring its policy of zero tolerance of bribery and corruption to the attention of every employee of the Company and to the attention of every actual or potential business associate of the Company.
5. The Company shall rigorously implement, supervise and enforce the foregoing principles of zero tolerance of bribery and corruption with all of its employees and all of its business associates.
6. The Company is obligated to keep books, records, and accounts that accurately and fairly reflect all transactions and disposition of company assets.

### **APPENDIX 3**

#### **BOARD RESOLUTIONS**

At a meeting of the Board of Directors of the Company held on \_\_\_\_\_, 2012, there was presented to the Board a document entitled "***Corporate Policy of Zero Tolerance of Bribery and Corruption, and Principles for a Compliance Program to implement and Enforce the Policy***" (the "Policy Document"), and a document entitled "***Anti-Bribery and Corruption Compliance Program***" (the "Compliance Program"). A copy of the Policy Document is attached as Appendix "A" to these resolutions, **and a copy of the Compliance Program is attached as Appendix "B" to these resolutions.**

After reviewing the Policy Document and the Compliance Program, the Board passed the following resolutions with respect thereto:

**RESOLVED: To adopt the Policy Document as a policy of the Company.**

**RESOLVED: To adopt the proposed Compliance Program.**

**RESOLVED: To appoint Mr. Avshalom Lazar, the Company's \_\_\_\_\_, to the position of "Anti-Bribery and Corruption Manager" of the Company who shall be tasked with implementing and managing the Compliance Program**

**RESOLVED: To task the Internal Audit Committee of the Company, in addition to its other functions, to monitor the activities of the Anti Bribery and Corruption Compliance Manager of the Company as detailed at the Compliance Program.**

**RESOLVED: To bring the Policy Document to the attention of:**

- every employee of the Company and
- every business associate of the Company, and
- every potential business associate of the Company who enters into discussions or negotiations with the Company.

*[Note: Appendix "A" to the above resolutions is the Policy Document set forth in Appendix 2 to this Compliance Program, and Appendix "B" to the above resolution is the entire Compliance Program].*

**Signed by Richard Kilsby, Chairman of the Board**

\_\_\_\_\_, **2012.**























## **APPENDIX 5**

### **EXAMPLES of RED FLAGS**

- Giving or receiving a payment or benefit in kind, without a clear contractual obligation to do so.
- Giving or receiving a payment or benefit in kind to any person or entity, without the recipient giving a receipt for such payment or benefit.
- The transfer or receipt of any payment to or in a bank account which is not registered in the name of a party to the contract.
- Making or receiving of any payment in cash.
- Any agreement to pay any contingent fee or commission to an Intermediary where the contingent fee or commission, or the Intermediary has not been approved in advance by the Company in accordance with the procedures set out in the Compliance Program.
- Any proposed transaction where there is more than one Intermediary.
- Any person or firm who represents or is employed by, or is being considered to represent or be employed by the Company, who has been accused of improper business practices.
- Any person or firm who represents or is employed by, or is being considered to represent or be employed by the Company, who has a family or other relationship that could improperly influence the decision of a Government Official.
- Any person or firm who represents or is employed by, or is being considered to represent or be employed by, the Company, who approaches any of the Company's personnel at or near the time of a contract or procurement decision and explains that he or she has a special arrangement with a Government Official.
- Any person or firm who represents or is being considered to represent the Company, who insists upon receiving a commission payment before the announcement of a contract or procurement decision.
- Any commission or other payment payable to a Third Party, that appears disproportionate in relation to the services provided.

- Any commission or other payment payable to a Third Party, that is in excess of average levels of commission in the territory in question for the type of transaction in question.
- Any request by a Government Official to use a specific contractor or subcontractor where that contractor or subcontractor is not typically used by or known to the Company.
- Any person or firm who represents, or is being considered to represent the Company, with an apparent lack of qualifications or resources to perform the services offered.
- Refusal by a foreign joint venture partner or representative to provide a certification that it will not take any action in furtherance of an unlawful offer, promise, or payment to a Government Official and a refusal to commit to not taking any act that would cause the Company to be in violation of this document.
- Any person or firm who represents, or is being considered to represent the Company, which has an above average amount of unspecified transactions using explanations such as, “miscellaneous”, “general”, “other”, “consulting”, “leisure” , “entertainment”, etc.
- Any person or firm who represents, or is being considered to represent the Company, which has transactions labeled as “facilitation payments”.
- Any person or firm who represents, or is being considered to represent the Company, which issues payments towards travel, school fees and scholarships for family members of foreign officials.
- Any person or firm who represents, or is being considered to represent the Company, which issues donations to charitable organizations affiliated with foreign officials.
- Any person or firm who represents, or is being considered to represent the Company, who is involved in transactions, the timing of which suspiciously coincides with particular decisions made by foreign officials.

The above is not an exhaustive list, but is indicative of the types of action or activity either by an employee of the Company or by a Business Associate which should give rise to suspicion of activities contrary to the Policy.

## **APPENDIX 6**

### **LETTER OF NOTIFICATION OF THE POLICY TO EMPLOYEES**

**To: (*name of employee*)**

Dear \_\_\_\_\_,

This is to notify you that 888 Holdings plc and its subsidiaries ("the Company") has a policy of zero tolerance for bribery and corruption, both for itself and for all of its business associates, suppliers, subcontractors and intermediaries (the "Policy"). The main principles of the Policy are as follows:

- The Company or any person on its behalf shall not offer, give or receive bribes or inducements for any purpose, whether directly or through a third party.
- The Company or any person on its behalf shall not knowingly enter into business relationships with any person or entity who gives or receives bribes or inducements for any purpose, whether directly or through a third party.
- The Company and all persons on its behalf shall comply with all applicable laws, regulations and contract requirements relating to the fight against bribery and corruption.
- The Company shall bring its policy of zero tolerance of bribery and corruption to the attention of every employee of the Company and to the attention of every actual or potential business associate of the Company.
- The Company shall rigorously implement, supervise and enforce the foregoing principles of zero tolerance of bribery and corruption with all of its employees and all of its business associates.

As a clarification of the Policy, attached as an appendix to this letter is the Company's guidelines regarding gifts and hospitality, which shall be complied with by every employee of the Company.

Yours faithfully.

\_\_\_\_\_

888 Holdings plc

## **APPENDIX 7**

### **LETTER OF NOTIFICATION**

**To: (*name of potential Business Associate*)**

Dear Sirs,

We are pleased to notify you that 888 Holdings plc and its subsidiaries ("the Company") has adopted a policy of zero tolerance for bribery and corruption, both for itself and for all of its business associates, suppliers, subcontractors and intermediaries. The main principles of that policy are as follows:

- The Company or any person on its behalf shall not offer, give or receive bribes or inducements for any purpose, whether directly or through a Third Party.
- The Company or any person on its behalf shall not knowingly enter into business relationships with any person or entity who gives or receives bribes or inducements for any purpose, whether directly or through a Third Party.
- The Company and all persons on its behalf shall comply with applicable laws, regulations and contract requirements relating to the fight against bribery and corruption, as a minimum. Moreover, in the many instances where the Company sets its own higher standards, the Company shall apply these first.
- The Company shall bring its policy of zero tolerance of bribery and corruption to the attention of every employee of the Company and to the attention of every actual or potential business associate of the Company.
- The Company shall rigorously implement, supervise and enforce the foregoing principles of zero tolerance of bribery and corruption with all of its employees and all of its business associates.

**Kindly confirm that you have read this notice, by countersigning a copy of this notice in the appropriate place indicated below, and returning such copy to us.**

Yours faithfully.

---

888 Holdings plc

We (*name of company*) hereby confirm that we have received and read the above notice, and are aware of the 888 Holdings plc policy of zero tolerance of bribery and corruption, both for itself and also for all of its business associates, suppliers, subcontractors and intermediaries.

---

Name:

Title:

Date:



## **APPENDIX 8**

### **GUIDELINES ON DUE DILIGENCE**

1. The company will conduct a due diligence process in the following cases:
- (a) Prior to entering into any contractual obligation with any Business Associates regarding Government-Related Transactions in a country deemed to be at high risk of governmental bribery and corruption.

As defined in above section A.4(g), the term Government Related Transaction in this document means any negotiation, transaction, contract or agreement, as well as implementation thereof, with a Government Entity

- (b) Prior to entering into a business relationship with Intermediaries.

As defined in above section A.4(a), the term Intermediaries in this document means agents, finders, brokers, the compensation of which contains any contingent element as well as any lobbyist who communicates with Government Officials about formulating or amending legislation, government rules, regulation, policy, license conditions or any similar matters.

Without derogating from the generality of the above, for the purpose or assessing such risk, any country which has received a rating of lower than 4 in the most recently published Transparency International Corruption Perception Index shall be deemed a country with a medium to high risk.

- (c) Prior to entering into a merger or acquisition transaction.
- (d) Whenever the Compliance Manager deems that such a due diligence process is required, for any other reason.

For the purpose of this Appendix all of the above will be referred to as "**Potential High Risk Business Associates**"

2. The purpose of due diligence on Potential High Risk Business Associates in the context of this Compliance Program is to verify, to the extent reasonably possible, the integrity and past track record of Potential High Risk Business Associates in relation to bribery and corruption. The Company shall not enter into any business relationship with any Potential High Risk Business Associate, unless and until:
- (a) a due diligence process has been completed in respect of such potential business associate (as evidenced by a completed due diligence form), and

- (b)** the due diligence process has not revealed activities by such potential business associate which would contravene the Company's zero tolerance for bribery and corruption.
- 3.** The nature of the due diligence will depend, inter alia, on the nature of the relationship with and co-operation of the target entity or person, the availability of public domain information and records on the target entity or person, and the cultural and political environment in which the target entity or person is operating.
  - 4.** The due diligence shall be sufficient to enable the Company to fill-in the due diligence compliance form, a copy of which is set forth in Appendix 8(a) below. Such form shall be filled in by the marketing person responsible for the potential deal and shall be submitted to the Compliance Manager for his approval, as a condition precedent to the Company entering into any business relationship with such potential business associate.
  - 5.** Each Potential High Risk Business Associate shall be required to complete the due diligence questionnaire in the form set forth in Appendix 8(b) to this Compliance Program.
  - 6.** For the avoidance of any doubt, the due diligence process described in this Appendix 8 is solely to determine compliance with the Policy, and is not a commercial due diligence as to the commercial health and stability of the target person or entity. Such commercial due diligence may need to be conducted separately, in addition to the Policy due diligence.

**APPENDIX 8(a)**

**DUE DILIGENCE COMPLIANCE FORM**

This due diligence compliance form must be completed by the Sales/Business Development person responsible for the potential transaction. It should then be sent to the Anti-Bribery and Corruption Compliance Manager of the Company (the "Compliance Manager") for approval, as evidenced by the signature of the Compliance Manager in the appropriate place at the end of this form, **before** any binding contract or agreement is signed with the entity or person who is the subject of such due diligence (the "Subject").

**Note: The confirmations marked below with an asterisk (\*) are mandatory.**

**Subject Name:** \_\_\_\_\_

**Related Project:** \_\_\_\_\_

**1.\*** Please confirm, by writing the word "confirmed" in the space below, that the Company's policy has been brought to the attention of the Subject?

\_\_\_\_\_

**2.\*** Please confirm, by writing the word "confirmed" in the space below, that the Subject has been made aware that a provision must be inserted in any contract or agreement between the Subject and the Company entitling the Company to terminate such contract/agreement for default if the Target fails to comply with the Anti-Bribery and Corruption Policy of the Company?

\_\_\_\_\_

**3.\*** Please confirm, by writing the word "confirmed" in the space below, that the Company's standard clause on bribery and corruption will be included in any draft contract/agreement to be entered into with the Subject.

\_\_\_\_\_

**4.** Is the Subject known to have any track record of criminal investigations or convictions involving bribery or corruption or other moral turpitude? Please answer in the space below, and, if the answer is "yes", please specify in the space below the relevant dates, and remedial and/or punitive action taken.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Does the Subject have a code of business ethics (or equivalent) and/or an anti-bribery and corruption compliance program (or equivalent) and/or an anti-bribery and corruption manager (or equivalent)? Please answer in the space below, and if the answer is "yes", give details.

---

---

---

---

6. Please describe the manner the agent/intermediary was introduced to the Company

---

---

---

7. Please indicate - with respect to each of the countries involved in the potential deal involving the Subject, to what extent, bribery and corruption of Government Officials is (i) rare, or (ii) occasional or (iii) a common practice of the local business culture. Where possible, please refer in this regard to reports and surveys prepared and conducted by internationally reputable organizations such as Transparency International.

---

---

---

---

8. Have you uncovered any "red flags" or suspicious findings during the due diligence? If yes – please detail these here: ("**Red Flag**" – any activity or incident which raises a concern of inappropriate behavior including any of the actions or activities listed in the Appendix to this due diligence compliance form).

---

---

---

Signed by [*here insert name of person responsible for due diligence*].\_\_\_\_\_

Date: \_\_\_\_\_

Countersigned and approved by the Compliance Manager\_\_\_\_\_

Date: \_\_\_\_\_

## **APPENDIX 8(b)**

### **DUE DILIGENCE QUESTIONNAIRE**

**888 Holdings plc** ("888") takes compliance with applicable anti-bribery and corruption laws very seriously. To comply with its obligations under these laws, 888 requires prospective business associates, suppliers, subcontractors and intermediaries with whom 888 transacts or may transact business, or that are authorized to act in any way on 888's behalf, to provide certain information for 888's review prior to entering into any agreement with such person or entity.

Accordingly, 888 requests that you please answer all of the questions in the Questionnaire below as fully and accurately as possible.

The purpose of this Questionnaire is to assess, in accordance with industry best practices, your practices and any potentially problematic relationships in this regard. In the event that this initial process uncovers any irregularities/problems, additional in-depth review may be necessitated.

This Questionnaire should be applied to you (if you conduct business as an individual rather than through a company) and to each company in your group of companies (if your company is part of a group). The usage of the term "Subject" throughout this questionnaire shall refer to and mean the relevant person or company which is the subject of this Questionnaire.

The term "Government Official", as used in this questionnaire means any person:

- (a)** who is employed by or acting for:
  - (i) a State;
  - (ii) a government of a State (at any level whether it be local or national including any agency or subdivision);
  - (iii) an international or intergovernmental organization;
  - (iv) a political party; or
  - (v) an entity owned and/or controlled by a government or a political party; or
- (b)** who is a candidate for a governmental or political office.

888 requests that you please answer all of the questions below as fully and accurately as possible.

If a question is not applicable, or if you do not know the answer, or if you cannot answer for reasons of confidentiality obligations, please so indicate in your response along with a short explanation. Please note that incomplete or vague responses will result in delays in the review process as follow-ups may need to be conducted.

#### **1. GENERAL INFORMATION**

- (a)** Name of Subject
- (b)** Business Address

- (c) Telephone of point of contact
- (d) Fax of point of contact
- (e) E-mail of point of contact
- (f) Identity of Bank, Currency of Account, and Address of Bank

**2. BUSINESS INFORMATION**

- (a) If you are completing this Questionnaire on behalf of a corporate entity or other organization, please provide a copy of your commercial registration and charter documents for the country in which you are incorporated
- (b) Number of employees: (please provide a complete organizational chart)
- (c) Your principal lines of business, including your current products being represented or distributed
- (d) Other locations of business

**3. OWNERSHIP AND MANAGEMENT**

If the Subject is a company, is it publicly held? **Yes/No**

If **yes**, please attach a copy of the Subject's most recent public filing showing the Subject's shareholders, partners, or owners. If this filing does not list major shareholders, please provide the full name of each major shareholder (public and non-public) with their current nationality.

If **no**, please provide the full name and nationality of each of the Subject's owners and partners, together with an updated company registrar's printout showing ownership details of the company.

**4. GOVERNMENT RELATIONSHIPS**

- (a) Are the Subject, or any persons (or their family members) identified in response to question 3:
  - (i) Current Government Officials **Yes/No**.
  - (ii) In a position (formally or informally, directly or indirectly) to exercise influence over the purchasing decisions of any government or government-owned or controlled entity (such as a government-owned company), including by virtue of holding a leadership position in a political party? **Yes/No**
- (b) If the answer to any of (a)(i) through (a)(ii) is yes, provide details, including:
  - (i) The name of the relevant individual, and the full name of the government body, company, or party position.
  - (ii) A description of the individual's official responsibilities.

**5. PAYMENTS TO GOVERNMENT OFFICIALS**

- (a) Have any payments or anything of value (however small) been made, authorized, promised or offered by or on behalf of the Subject, directly or via any Third Party, to any person, entity, company and/or Government Official with the purpose of directly or indirectly:

- (i) Obtaining or retaining business;
- (ii) Expediting or securing the performance of a routine governmental action by such Government Official (e.g. processing any application for a permit or license) in relation to \_\_\_\_\_; or
- (iii) Obtaining government approvals or licenses, or any favorable regulatory action including with respect to environmental, tax and/or customs matters?

(b) If **yes**, please provide details.

## 6. **COMPLIANCE WITH APPLICABLE LAWS**

(a) Has the Subject been involved in any government audit, investigation, enforcement action, or filed any disclosure of an actual or potential violation of any of the following areas: import or export controls, international boycotts, any anti-corruption laws, anti-money laundering, or other applicable criminal laws? **Yes/No**

If **yes**, describe the action and how the issue was resolved? (fines, settlement, etc.)

(b) Is the Subject aware of any actual or potential violation by the company, its personnel, or any of its affiliates of any of the areas listed above? **Yes/No**

If **yes**, please explain.

(c) Has the Subject, or any present or former owner, director, officer, or senior employee of the Subject, been: (1) suspended from doing business in any capacity anywhere in the world, (2) investigated for or charged with any criminal act, or (3) subject to any allegation of fraud, misrepresentation, bribery, corruption, or other related activities? If **yes**, please provide details.

(d) Does the Subject comply with all applicable laws on bribery and corruption in its place of incorporation as well as in all other countries in which the Subject conducts business?

## 7. **ANTI-BRIBERY AND CORRUPTION STEPS TAKEN BY THE COMPANY**

Does the Subject have a code of conduct, a formal anti-bribery and corruption policy and/or a business entertainment/hospitality policy (including travel, seminars or sponsored events) with respect to Government Officials? If yes, please provide a full copy of said policy/ies.

## 8. **POLITICAL AND/OR CHARITABLE CONTRIBUTIONS**

During the past five (5) years, have any contributions been made by the Subject, or on the Subject's behalf by a Third Party, to any political party, or to any Government Official, or their election campaigns, or to any charity associated with or directed by any of the above? If so, please give details and the reasons for such contributions.

## 9. **USE OF SUBCONTRACTORS OR SUBAGENTS**

Does the Subject intend to use any subcontractors or subagents on work performed for the Company? **Yes/No**

If **yes**, please provide the following information regarding the subcontractors or subagents:

- (a) name, address and place of registration (if a company);
- (b) A full description of the work that will be performed;
- (c) Ownership structure;
- (d) Whether the subcontractors or subagents have any government relationships (as described in sections .a. and 4b, above).

**The answers to this Questionnaire shall be kept in confidence. 888 reserves the right to add additional questions to this Questionnaire at a later date and/or request additional information to any of the answers detailed above. In the event of any change in any of the answers set forth above, you are obliged to notify 888 immediately**

**Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Title:** \_\_\_\_\_



## **APPENDIX 9**

### **CLAUSES FOR CONTRACTS WITH BUSINESS ASSOCIATES**

#### **Unilateral Version:**

***"[I/We], [name of person or entity] hereby declare, undertake, represent and warrant, as follows:***

- (a) [I/We] shall comply with all applicable anti-bribery and anti-corruption laws and regulations.***
- (b) [I/We], and, to the best of [my/our] knowledge, [my/our] employees, officers, directors, shareholders, agents, affiliates, partnerships and any of our other representatives, have never been convicted of, or pleaded guilty to, any crime or offence involving fraud, corruption, or moral turpitude.***

***Any breach of the foregoing undertakings shall be deemed a fundamental breach of any contract or business relationship between [here name the Business Associate] and the Company, and shall entitle the Company to terminate such contract or business relationship for such breach. Such right of termination for breach shall be in addition and without prejudice to any other rights and remedies which the Company may have in contract and/or at law with respect to such breach". {This provision shall be incorporated in the company's generic termination clause}***

Depending upon the circumstances and nature of the proposed relationship with a Business Associate, the Company may consider adding all or part of the following additional provision as paragraph (c) of the above undertaking:

- "(c) [I/We], [my/our] employees, officers, directors, shareholders, agents and affiliates, have not performed and will not perform, directly or through any third party, any of the following acts: The making or authorization or offer or promise of any payment, gift, loan, donation, service, benefit or other thing of value, whether in cash or in kind, to any official or employee or officer of any governmental authority, or any agency or subdivision thereof [including, but not limited to, any federal, regional or local department, or any agency, or enterprise owned or controlled by any of the foregoing] (hereinafter individually and collectively a "Public Authority"), or to any politician or political party or official thereof, or to any candidate for political office, or to any official or employee or officer of any other third party entity, or to any other third party for the purpose and/or with the possibility of:***

- (i) influencing any act or decision or of that person in his capacity, including a failure to perform his official functions within such Public Authority/political party/third party entity (as the case may be); and/or**
- (ii) inducing such person to use his influence with the Public Authority or political party or third party entity (as the case may be) to affect or influence any act or decision thereof; and/or**
- (iii) securing any improper advantage**
- (iv) obtaining confidential information about business opportunities or the activities of competitors.**

### **Bilateral Version:**

**"Each of the Parties to this Agreement hereby declares, undertakes, represents and warrants, as follows:**

- (a) Such Party shall comply with all applicable anti-bribery and anti-corruption laws and regulations.**
- (b) Such Party, and, to the best of its knowledge, its employees, officers, directors, shareholders, agents, affiliates, partnerships and any of our other representatives, have never been convicted of, or pleaded guilty to, any crime or offence involving fraud, corruption, or moral turpitude.**

**Any breach of the foregoing undertakings by a Party to this Agreement shall be deemed a fundamental breach by such Party of any contract or business relationship between such Party and the other Party/ies to this Agreement, and shall entitle the other Party/ies to terminate this Agreement or business relationship for such breach. Such right of termination for breach shall be in addition and without prejudice to any other rights and remedies which the other Party/ies may have in contract and/or at law with respect to such breach".**

Depending upon the circumstances and nature of the proposed relationship with a Business Associate, the Company may consider adding all or part of the following additional provision as paragraph (c) of the above undertaking:

- "(c) Such Party, and its employees, officers, directors, shareholders, agents and affiliates, have not performed and will not perform, directly or through any third party, any of the following acts: The making or authorization or offer or promise of any payment, gift, loan, donation, service, benefit or other thing of value, whether in cash or in kind, to any official or employee or**

***officer of any governmental authority, or any agency or subdivision thereof [including, but not limited to, any federal, regional or local department, or any agency, or enterprise owned or controlled by any of the foregoing] (hereinafter individually and collectively a "Public Authority"), or to any politician or political party or official thereof, or to any candidate for political office, or to any official or employee or officer of any other third party entity, for the purpose and/or with the possibility of:***

- (i) influencing any act or decision or of that person in his official capacity, including a failure to perform his official functions within such Public Authority/political party/third party entity (as the case may be); and/or***
- (ii) inducing such person to use his influence with the Public Authority or political party or third party entity (as the case may be) to affect or influence any act or decision thereof; and/or***
- (iii) securing any improper advantage.***
- (iv) obtaining confidential information about business opportunities or the activities of competitors.***

## **APPENDIX 10**

### **SUPERVISION AND ENFORCEMENT PLAN**

The Policy shall be supervised and enforced in the following manner:

- The Compliance Manager shall conduct, subject to CEO and/or IAC approval, reviews and investigations within the Company, and shall be authorized to access all files, records, e-mails, contracts and communications, both internal and external, for such purpose.
- The Compliance Manager will submit a twice yearly report to the IAC regarding the implementation of the Policy in relation to both Employees and Business Associates.
- All employees of the Company (including the CEO) shall be instructed to co-operate fully with the Compliance Manager, and to grant him prompt and free access to all files, records, e-mails, contracts and communications, both internal and external.
- The Compliance Manager shall maintain absolute confidentiality with respect to the identity of anyone approaching him, as well as with respect to the subject matter and details of such approach.
- The Company will circulate among its employees the various methods and means through which they will be able to submit complaints and suspected Red Flags to the Company. While employees shall be encouraged to identify themselves, and while their identity will be kept in strict confidence, any such approach may be made on a no-name basis, at the discretion of the employee.
- The Compliance Manager shall work closely with the Company's CFO to identify and trace any suspicious or unidentified payments or receipts of money.
- The CFO will ensure that all incoming and outgoing payments are identified and accounted for, and are made legitimately within the Company's normal business and in compliance with the Policy.
- The Compliance Manager shall make preliminary investigations regarding each and every allegation or suspicion rose before him/her, and shall issue a written report on the outcome of each such investigation to the CEO, CFO and the IAC. The CEO will decide on additional measures that need to be taken in accordance with the provisions of Section E of this Compliance Program ("Supervision, Enforcement and reporting").

- Any employee of the Company found to have acted in contravention of the Policy (after a thorough investigation) shall have his employment with the Company terminated for default.