

**Bluefield Solar Income Fund Limited**  
**(the “Company”)**

**Anti-Bribery and Corruption Policy**

**1. Introduction**

Achieving the highest possible standards to maintain our reputation for lawful, ethical and honest business behaviour can only be upheld if the Company (the “Fund”, “us” or “we”) follows sound and fair business practices. Therefore, the Company has a zero-tolerance position in relation to bribery and corruption, wherever and in whatever form that may be encountered. We are committed to compliance with all applicable anti-bribery and anti-corruption laws and to the prevention, deterrence and detection of bribery and corruption by acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery.

**2. Legal and Regulatory**

The Bribery Act 2010 (the “Act”) has been in place since 1 July 2011 and has been the UK’s main bribery and corruption legislation. It introduced changes in the law that could impact the conduct of our business, in that:

- It extends the crime of bribery to cover all private-sector transactions.
- It creates a strict liability offence for commercial organisations of failing to prevent bribery. An organisation will only have a defence to this offence if it can show it had “adequate procedures” in place to prevent bribery.
- Its scope is extensive – the offences are very broadly defined and it has significant extra-territorial reach.
- The offences carry serious criminal penalties for individuals (maximum prison sentence of ten years and/or an unlimited fine) and organisations (an unlimited fine).

We prohibit bribery in any form in all of our operations, whether direct or indirect through third parties. For the purposes of this policy, bribery means offering, promising, giving, accepting or soliciting on advantage as an inducement or reward for an action which is illegal or a breach of trust.

The Act creates offences which can be committed by an individual such as offering or accepting a bribe as an inducement to do something improper or offering a bribe to a foreign official for any party’s business advantage. Any legal action against an individual for these offences would also attract the Financial Conduct Authority’s (“FCA”) attention and would almost certainly mean that the individual no longer meets the fitness and propriety requirements.

The Act also creates a corporate offence which the Company can commit by failing to prevent bribery if

any of its employees (should it have any), subsidiaries, agents or service providers (or other “associated persons”) attempt to obtain or retain business or a business advantage anywhere in the world. It is not necessary for the associated person to have been successfully prosecuted for bribery before the Company can be successfully prosecuted.

Differing laws in other countries and regions where activities take place, differing cultural differences, local practice and business custom will only be considered if it is formally enshrined in that jurisdiction’s law.

It should be noted that “facilitation payments” (so called “grease payments”), which are allowed to a limited extent under the US’s own bribery and corruption laws (FCPA) are strictly prohibited under the UK Bribery Act 2010.

### **3. Who is Covered By the Policy?**

This policy applies to individuals working at all levels, including partners, directors, employees, consultants, contractors, secondees, interns, and temporary and agency staff (together referred to in this policy as “**personnel**” or “**you**”).

Under the Act, we may be held liable (and commit a criminal offence) if any of our agents, intermediaries or service providers offers or pays someone a bribe or anything in the nature of a bribe.

The board of directors of the Fund (the “**Board**”) and Bluefield Partners LLP (the “**Investment Adviser**”) (particularly the team members of the Investment Adviser who are responsible for advising the Company) are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it. The Investment Adviser is authorised and regulated by the Financial Conduct Authority (“**FCA**”) and so has an explicit legal obligation (as well as a strict FCA requirement) to have effective procedures to detect, prevent and deter financial crime which includes bribery and corruption.

The Board has appointed Kevin O’Connor, the compliance officer of the Investment Adviser, as a Compliance Consultant to the Company which is responsible for bribery and corruption controls. If you have any queries whatsoever or any concerns that bribery and corruption are occurring or could occur due to systems issues you should discuss the matter with the Compliance Consultant.

If you engage third parties such as agents, intermediaries or service providers to work on our behalf you must therefore seek to ensure that those third parties are aware of our zero-tolerance approach to bribery. Such third parties may be required to commit contractually to observe this policy when working on our behalf if they do not have an adequate policy of their own.

The Investment Adviser has been contracted by us to advise the Fund and its subsidiaries and as such the Investment Adviser will carry out administrative and management tasks in relation to this policy. Irrespective of the foregoing, liability under the Act remains with you.

As a responsible investment fund, we will also encourage the application of an appropriate anti- bribery policy by the portfolio companies in which the Fund is investing or has invested. It is generally not appropriate for this policy to apply directly to them.

#### **4. Core Offences Under the Act**

The core offences under the Act include:

- a) A general offence covering offering, promising or giving a bribe.
- b) A general offence covering requesting, agreeing to receive or accepting a bribe.
- c) A distinct offence of bribing a foreign public official to obtain or retain business.
- d) A strict liability offence for commercial organisations where they fail to prevent bribery by those acting on their behalf.

If any of the offences in (a), (b) or (c) above is committed by a body corporate with the “consent or connivance” of a senior officer of the body corporate, the senior officer is also guilty of an offence.

#### **What is bribery and corruption?**

Bribery is offering, promising, giving or accepting any financial or another advantage, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage. An advantage includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.

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

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

#### **Individual Responsibilities**

Individuals face criminal penalties if they are involved in bribery and corruption, or if they do not report their knowledge or suspicion of bribery and corruption where there are reasonable grounds for their knowing or suspecting such activity.

All individuals must be aware of their obligations and are required to follow the Company’s policies and procedures at all times.

All individuals are required to make a formal disclosure to the Company’s Compliance Officer where there is reasonable grounds of knowledge or suspicion that another person is engaged in bribery or corruption.

#### **5. Risk Based Approach**

Whilst adhering to legal and regulatory requirements, the Company’s systems and controls will be comprehensive and proportionate to the size and complexity of the business so that it can identify, assess, monitor and manage bribery and corruption risk.

In order for systems and controls to be comprehensive and proportionate, the Company will carry out a risk-based approach. A risk-based approach means carrying out a risk management process to identify money laundering and/or terrorist financing risks that are relevant to it.

The Company has carried out a risk assessment based on relevant factors including its customer base, business and risk profile. The Policy considered each of the six Principles set out in the Bribery Act 2010 and has structured this Policy to meet them.

## **6. Bribery and Corruption Principles**

### Principle 1: Proportionate Procedures

The Company will always have proportionate procedures to counter the risks it identifies. The procedures will be to a certain extent dictated by the size of the organisation and the nature and complexity of the business at the time of the risk assessment. However, the Company recognises that size and complexity are not the only determinants for proportionate procedures and will therefore include the following in its procedures when appropriate:

- The involvement of the Company's top-level management (see Principle 2).
- Risk assessment procedures (see Principle 3).
- Due diligence of existing or prospective associated persons (see Principle 4).
- The provision of gifts, hospitality and promotional expenditure; charitable and political donations; or demands for facilitation payments.
- Direct and indirect employment, including recruitment, terms and conditions, disciplinary action and remuneration.
- Governance of business relationships with all other associated persons including pre and post-contractual agreements.
- Financial and commercial controls such as adequate bookkeeping, auditing and approval of expenditure.
- Transparency of transactions and disclosure of information.
- Decision making, such as delegation of authority procedures, separation of functions and the avoidance of conflicts of interest.
- Enforcement, detailing discipline processes and sanctions for breaches of the Company's anti-bribery rules.
- The reporting of bribery including 'speak up' or 'whistle blowing' procedures.
- The detail of the process by which the Company plans to implement its bribery prevention procedures, for example, how its policy will be applied to individual projects and different parts of the business.
- The communication of the Company's policies and procedures, and training in their application (see Principle 5).
- The monitoring, review and evaluation of bribery prevention procedures (see Principle 6).

All procedures put in place to implement an organisation's bribery prevention policies will be designed to mitigate identified risks as well as to prevent deliberate unethical conduct on the part of associated persons.

## Principle 2: Top level Commitment

As with all of the Company's policies and procedures, the Board fully endorse the Anti-Bribery and Corruption Policy. In particular, it aims to create and support a culture where there is a commitment to carry out business fairly, honestly and openly and a commitment to zero tolerance towards bribery.

The Board will have overall responsibility for anti-bribery and corruption. This will include implementing the policy and general oversight of breaches of procedures, where appropriate, on levels of compliance.

The Compliance Consultant will provide the board with adequate Management Information ("MI") to monitor and supervise the policy. This MI will include information about third parties, including (but not limited to) new third-party accounts, their risk classification, higher risk third-party payments for the preceding period, changes to third-party bank account details and unusually high commission paid to third parties. MI also includes changes in regulatory or legal requirements.

The Board will work with the Compliance Consultant to coordinate a senior management-led response to significant bribery and corruption events.

## Principle 3: Risk Assessment

The Company will assess the nature and extent of its exposure to potential external and internal risks of bribery on its behalf by persons associated with it. The assessment will be periodic, informed and documented.

The risks the Company will consider (where relevant) are:

- Country risk: this is evidenced by perceived high levels of corruption, an absence of effectively implemented anti-bribery legislation and a failure of the foreign government, media, local business community and civil society effectively to promote transparent procurement and investment policies.
- Sectoral risk: some sectors are higher risk than others. Higher risk sectors include the extractive industries and the large-scale infrastructure sector.
- Transaction risk: certain types of transaction give rise to higher risks, for example, charitable or political contributions, licenses and permits, and transactions relating to public procurement.
- Business opportunity risk: such risks might arise in high value projects or with projects involving many contractors or intermediaries; or with projects which are not apparently undertaken at market prices, or which do not have a clear legitimate objective.
- Business partnership risk: certain relationships may involve higher risk, for example, the use of intermediaries in transactions with foreign public officials; consortia or joint venture partners; and relationships with politically exposed persons where the proposed business relationship involves, or is linked to, a prominent public official.

## Principle 4: Due Diligence

A person performing services for the Company is considered an "associated person" under the Bribery Act 2010 and therefore the Company has to have adequate procedures in place to prevent from person carrying out any form of bribery or corruption.

The Company will take considerable care in entering into certain business relationships if the circumstances in which the relationships come into existence increase the risk that a third party has a

higher risk of being involved in bribery or corruption.

Where relevant (and whilst accepting jurisdiction is not the only factor to consider) will reference the most recent Transparency International Corruption Perception Index.

Principle 5: Communication (and Training)

The Board will maintain the knowledge and skills needed to employ the Company's procedures and deal with any bribery related problems or issues that may arise. The training will emphasize the Company's zero tolerance for bribery and corruption to staff and where necessary other associated persons also reduce the risk of bribery and corruption.

Principle 6: Monitoring and Review

The Company and the Compliance Consultant will monitor, and review procedures designed to prevent bribery by persons associated with it and make improvements where necessary. All Compliance and internal audits will challenge not only whether processes to mitigate bribery and corruption have been followed but also the effectiveness of the processes themselves.

Where the Board considers it necessary, the Company will implement an independent checking of compliance's operational role in approving third-party relationships and accounts, where relevant.

Approved by the Board: 23 February 2023

Last reviewed on: 23 February 2023