	ORGANIZATIONAL GUIDELINE	Reference	D0005-GIT99
	POLICY ON EXTORTION AND PROHIBITION OF FACILITATION PAYMENTS	Revision	01

POLICY ON EXTORTION AND PROHIBITION OF FACILITATION PAYMENTS

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1 PURPOSE

This procedure has the purpose of establishing guidelines for dealing with extortion and facilitation payments.

2 APPLICATION

All of Aegea's Management Members, Employees, Business Partners and its Organizational Units.

3 REFERENCES

- AEGEA'S CODE OF CONDUCT.

4 DEFINITIONS

- **EXTORTION PAYMENTS:** refer to any payment taken place when money is forcibly obtained from people through real threats to health, safety or freedom. The safety and freedom of individuals are essential, and many legal systems do not criminalize payments made by someone who has reasonable fear for their health.

- **FACILITATION PAYMENT:** expression sometimes assigned to an illegal or unofficial payment made in exchange for services for which the payer would be legally entitled to receive without making such payment. It is usually a small amount paid to a government agent or a person responsible for approval, in order to guarantee or speed up the performance of a routine action, such as releasing documents, being approved in an investigation or issuing permits.

Facilitation payments are considered unlawful and treated as bribery for the purposes of this Policy; therefore, they are forbidden.


- Management Members, Employees and/or Business Partners must not make payments of this nature, even if not making them may cause difficulties. These payments include, among others: (I) issue of any type of licenses; (II) issue of any type of documents.

5 DESCRIPTION

5.1 GENERAL RULE

Facilitation payments are prohibited. If there are no legal grounds, management members, employees and/or business partners cannot make payments of this nature, even if this causes drawbacks.

At Aegea, it is everybody's duty to avoid situations of vulnerability in order to reduce the probability of requests for facilitation payments by a Government Agent or a Business Partner. This means that everyone must strictly comply with the applicable laws and be aware of the processes that may lead to such situations.

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5.2 HOW TO ACT IN CASE OF A REQUEST FOR FACILITATION PAYMENT

Management Members, Employees and/or Business Partners have to assess the risks and, considering the circumstances, they must:

- Avoid confrontation so that it doesn't appear as provocation and makes the situation even worse.
- Show that they know their legal obligations and express perplexity about the unjustifiable request.
- Say that reimbursement is not possible without documentation, proof of payment or a pay slip.
- In another country, pretend not to understand and ask to talk to a superior (the boss of the person requesting said payment).
- Draw attention to the situation, but cautiously (ex: as they pretended not to understand, ask help from someone in the same queue).
- If not paying will only cause "drawbacks" (as mentioned in item 5.1), the employee must not give in and, therefore, must not pay.

When arriving at Aegea, the Management Member, Employee and/or Business Partner must immediately report the fact accurately to the Integrity Department. This report has to be documented, dated and signed by the Employee and their immediate superior. The appropriate form needs to be used, as shown in the attachment.

The information must be assessed by a group with the following qualifications and respective attributions:


- Integrity Department: ensure observance of the Compliance rules.
- Legal Department: provide legal service and evaluate the need to inform the authorities.
- Accounting Department: ensure the suitable financial allocation if the payment has been made.

This group shall also decide if the reimbursement will or won't be granted to the management member, employee and/or business partner. If the payment has been improperly made, the group shall assess the applicable measures. The transparency of the management member, employee and/or business partner must be considered, which will usually imply a noncompliance, followed by guidelines as a remedial measure. However, if neglect or bad faith is identified on the part of the Management Member or Employee, disciplinary measures may be adopted. Regardless of the outcome, it is mandatory to have the minutes of the meeting drawn up, containing the arguments used and the decisions and conclusions.

5.3 HOW TO ACT IN CASE OF A REQUEST FOR EXTORTION PAYMENT

If the person is confronted with a request for payment through extortion, the following measures must be adopted:

- 1) Make the payment if your health, safety or freedom, or of others, is threatened;
- 2) Specify the action to be taken by the person that made the extortion payments;
- 3) Make a record of the event;

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4) Report the event to the Integrity Department or the Legal Department;

In the event of an extortion payment, Aegea must:


- 1) Have the Integrity Department investigate the event;
- 2) Accurately record the payments in Aegea's accounting;
- 3) If appropriate, or if required by law, report the payment to the applicable authorities.

6 ATTACHMENTS

- AN01-DO005-GIT99 - Form to Report Cases of Extortion and Facilitation Payments.

7 RECORDS

IDENTIFICATION	STORAGE		PROTECTION	RECOVERY	RETENTION	DISPOSAL
	PLACE	FORM				
Making (or request for) an extortion and/or facilitation payment	Integrity Department	Physical	Item 5.2	Network Directory	5 years	Archive

	ATTACHMENT	Reference	AN01-DO005-GIT99
	FORM TO REPORT CASES OF EXTORTION AND FACILITATION PAYMENTS	Revision	02

AN01-DO005-GIT99 - Form to Report Cases of Extortion and Facilitation Payments

Description of Situation	
When did it take place: Date: ____ / ____ / ____ Time: _____	
Where did it take place (country, city, address): _____ _____	
Description of the location (ex.: in front of counter xxx): _____	
What happened: _____ _____ _____	
Who was the beneficiary: _____	
Which was the amount involved: R\$ _____ The facilitation payment was made (yes/no): _____	
If it was made, which are the risks for the employee? _____ _____	
How did the employee react to the fact (Yes = S; No = N). Please, give an answer to all the lines below. If the answer was "Yes", describe the reaction; if the answer was "No", explain the reason for not trying this alternative):	
() Showed knowledge of his/her obligations. Explain: _____	
() Showed perplexity regarding the request. Explain: _____	
() Said that reimbursement was not possible without any documentation, proof of payment or a pay slip. Explain: _____	
() Asked to take the case to his/her superior. Explain: _____	
() Made the others aware of the situation. Explain: _____	
Documents attached: _____ _____	
Date / Name / Employee's signature	Date / Name / Immediate superior's signature
If the Extortion or Facilitation Payment was made	
() Situation is in accordance with the Compliance rules.	
() Measures need to be taken. Which? _____ _____	
Will a reimbursement be granted? (yes/no): _____ Account: _____ . Will the authorities be informed? (yes/no) _____ Why? _____	
Comments: _____ _____	
Date/Name/Integrity Depart. Ass.	Date/Name/Accounting Ass.
Date/Name/Legal Counsel Ass.	