



Anti-Fraud
Procedure

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Document Owner	Document Custodian
Saif Al Hamhami  Chief Executive officer	Abdul Raouf AL-Tobi  General Counsel

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1.0 Definitions

Code of Conduct & Ethics Manual it translates Abraj compliance policies as approved by the Board and amended when required.

Company means Abraj Energy Services S.A.O.G “Abraj” and each entity Controlled by Abraj.

Compliance Committee means the committee appointed by the Chief Executive Officer of Abraj Energy Services S.A.O.G to fulfill the responsibilities assigned to them in said capacity under the Code of Conduct & Ethics Manual.

Compliance Officer means local compliance officer appointed by Abraj management according to CMA regulation.

CMA: Capital Market Authority.

Control means the power to direct the conduct of a business in the manner provided in this Procedure, whether by way of (i) major ownership, directly or indirectly of the voting rights of a legal entity, or (ii) a contractual stipulation to that effect, or (iii) a decision by the corresponding governing body to adhere to the terms of this Procedure; and Controlled shall be construed accordingly.

CEO: Chief Executive Officer.

Investigation Team means a working group appointed/formed by the Compliance Committee for any specific case which is jointly responsible for investigating fraud and related matters and responsible for other administrative matters requested by the Compliance Committee.

Personnel Abraj employees, as well as any agent or person working under contract that occupies a permanent or temporary position within Abraj, such as seconded staff or staff sourced from manpower contractors.

Third Party means existing or potential contractors, consultants, suppliers, agents, partners, and any party who is involved directly or indirectly with the Company through an existing or potential contractual arrangement, deal or transaction.

2.0 Introduction

The Company's Code of Conduct is based on integrity, honesty, following the law, and accountability in all aspects of its business with no compromise on health, safety and environmental matters.

The Company upholds all laws relevant to countering fraud in all jurisdictions in which it operates. The Company undertakes reasonable due diligence on its business partners, contractors, and consultants, and takes reasonable steps to ensure that all applicable anti-fraud laws are complied with.

3.0 The Statement

The Company has zero tolerance for fraud and other acts of misconduct within the Company. The Company aims therefore to limit its exposure to fraud by:

- Maintaining cost-effective measures and procedures to combat fraud.
- Taking firm and vigorous action against any individual or group perpetrating fraud against the Company.
- Encouraging its Personnel to report any suspicion of fraud and providing them with suitable whistle-blower channels.
- Rigorously investigating Compliance cases.
- Cooperating with the Royal Oman Police and other related authorities in further investigation of those suspected of fraud wherever applicable.

4.0 Objective & Purpose

The objective of this Procedure is to establish the Company's efforts in combating fraud and to ensure that all Compliance cases are dealt with in a consistent and effective manner.

The purpose of this Procedure is to:

- Set Abraj's responsibilities in observing and upholding fraud related matters.
- Provide guidance to individuals on reporting any suspicious fraudulent activities that occur at the Company.
- Set up guiding principles to handle fraud cases.
- Establish Abraj's Compliance Committee.

5.0 Scope

This procedure applies to Abraj and its Controlled subsidiaries. Any amendments to this document have to be approved by the CEO.

This procedure applies to all personnel of the company. The company will strive for its third parties to be aware of and to comply with this document by taking reasonable steps to combat fraud.

6.0 MOC/Step-out and approval

Any MOC/step-out related to "Anti-Fraud Procedure" must be approved by the CEO.

7.0 What is Fraud

Fraud can be defined as "The intentional or deliberate act or misrepresentation of material with knowledge of its falsity or inducing to another person to act and upon which the other person relies with resulting damage. Fraud may also include an omission or intentional failure to state material facts, knowledge of which would be necessary to make another statement not misleading."

Fraud can potentially occur in many different ways, such as procurement fraud, accounting fraud, or the misuse of an individual's position.

The term "fraud" as used in this Procedure includes, but is not limited to the following:

- Dishonest or fraudulent act;
- Forgery;
- Misrepresentation of material with knowledge of its falsity
- Inducing other person and cause a damage
- Ghost Companies/billed for service not provided
- Incorrect volume, units, amount, manifest, & records
- Inflated hours/consultancy time
- Misappropriation of Company, Personnel or supplier assets;
- Conversion to personal use of cash, suppliers, or any other Company asset;
- Unauthorized handling or reporting of Company transactions;
- Falsification of Company records for personal or other reason;
- Intentional breach of any pillar of the Company's Code of Conduct;
- Misuse of an individual's position for personal gain;
- Corrupt activities inclusive of bribery, embezzlement or extortion; and
- Abuse of power or mismanagement of contractual arrangements to result in personal gains.

The above list is not all-inclusive but is intended to be representative of situations involving fraud and/or other acts of misconduct.

8.0 Penalties

Fraud is a criminal offence under the Oman Penal Code, the Protection of Public Fund and Avoidance of Conflict of Interest Law and other applicable laws. An individual may be liable to a fine and/or imprisonment, and the Company could face serious reputational damage, lawsuits and fines.

The Company reserves its rights to:

- Take disciplinary action, which could result in dismissal of Personnel violating this Procedure.
- Terminate related contractual relationship with Third Party for violation of this Procedure.
- Take legal action against any persons who commits fraud and will seek to recover its losses through legal means.
- Has legal obligation to inform the relevant authorities for all fraud matters.

9.0 Responsibilities

Fraud can be costly to the Company in terms of reputational damage and financial losses as well as disruptive, unpleasant and time-consuming to identify and investigate. The prevention of fraud is therefore a key objective and goal of all Personnel. Abraj shall implement all preventive measures to deny opportunities for fraud.

Fraud can be minimized by carefully designed and consistently operated procedures that deny opportunities for fraud.

9.1 Personnel

All Personnel must ensure that they read, understand and comply with this Procedure. The prevention, detection and reporting of fraud are the responsibility of all Personnel.

9.2 Third Party

All Third Parties are required to comply with this procedure and report any fraudulent activities whether materialized or suspected to the Company's appointed whistle blower channels under section 10.0 of this document.

9.3 Compliance Officer

In addition to duties specified under the Code of Conduct & Ethics Manual, the Compliance Officer (or his deputy/delegate) is responsible to raise awareness of this Anti-Fraud procedure to all Personnel and acts as a secretary to the Company's Compliance Committee.

9.4 Chief Executive Officer

The CEO is responsible to review the implementation of this Procedure throughout the Company, and approve any proposed decision by the committee

9.5 Compliance Committee

The Compliance Committee is responsible for leading vigorous and prompt investigation through the Investigation Team and delivery of reports to the CEO. The Compliance Committee is also responsible to liaise with local authorities in connection with this procedure as and when required.

10.0 Raising Concerns

All concerns about any issue or suspicion of malpractice shall be reported to/through any of the following channels:

- Compliance Officer
- General Counsel;

- Any member of the Compliance Committee.
- Whistleblowing process in Abraj website.
- E-mail

If the whistleblower is unsure, whether a particular act constitutes fraud, or has any queries, these should be raised with the Compliance Officer. The Company does not tolerate retaliation against individuals who honestly raise issues or violation of this Procedure. All whistleblowing cases are treated with confidentiality and the Company provides full protection to the whistleblower to the extent possible by Law.

The Company supports reporting concerns that are free of bias, genuine and in good faith. Whistleblowing section is covered further under the Company's Code of Conduct, and in the specific Whistleblowing procedure.

11.0 Handling of Fraud and related incidents

The purpose of this section is to define authority levels, responsibilities for action, and fraud response process. In all cases, the CEO has the right to waive or amend the process on a case by case basis.

- All actual or suspected fraud incidents shall be reported without delay through the channels stated in section 10.0.
- The Compliance Officer shall perform a preliminary assessment of all matters received with the aim of confirming or negating the substance of the allegation prior to making a recommendation to the Compliance Committee.
- The Compliance Committee comprises of the following members:
 - General Counsel (chairperson).
 - Manager Internal Audit department.
 - Compliance Officer (as a Secretary).
 - Any subject matter expert that is required by the committee.
- The Compliance Committee shall meet as and when required with the minimum quorum of three members in a meeting (including the General Counsel or his delegate).
- The Secretary to the Compliance Committee shall document all minutes of meetings along with documents related to the investigation.
- The Compliance Committee shall evaluate after the preliminary assessment whether the case reported warrants further investigation and accordingly shall establish an Investigation Team depending on the nature of the allegation. The Investigation Team shall be led by the Compliance Officer and comprise of a legal advisor, an internal auditor, and a subject matter expert at all times (if required).
- The Investigation Team shall perform its duties and refer to the Compliance Committee for directions as and when required. In performing its duties, the Investigation Team shall adhere to the principles demonstrated in section 12.0.
- The Investigation Team shall present its findings and recommendations to the Compliance Committee as soon as reasonably possible.
- The Compliance Committee shall review the findings and recommendations undertaken by the Investigation Team and express their views to the CEO whether to conclude or proceed with further investigations.

- If the investigation is deemed concluded by the Compliance Committee and disciplinary measures may be required, all matters involving fraud, bribery, or similar violations that involve public officials are referred to the CEO for final determination. The Compliance Committee shall not make any determination in connection with any violation by personnel designated by the Compliance Committee as an executive, where the determination will be concluded by the BOD as per the DOA
- Pursuant to Article 24 of the Omani State Audit Law, the Company at all times and within one week from discovering any financial or administrative irregularity or the occurrence of an incident that may result or lead to financial loss, shall notify the State Audit Institution.

12.0 Investigation Principles

The Investigation Team shall adhere to the following principles in all investigations, irrespective of materiality or the scope of the incident under investigation, and should drive the behavior expected of everyone involved in an investigation.

12.1 Confidentiality

All investigations shall be conducted in the strictest confidence. The need for confidentiality begins with receipt of allegation, and continues beyond the conclusion of the investigation.

The fact that an investigation is underway or is being considered in relation to any Personnel involved, the subject matter, the process followed, the materials or information gathered, and the results of the investigation must always be treated confidentially. Those involved in the investigations shall not communicate any information to anyone that does not have a need to know.

12.2 Impartiality & Objectivity

An investigation must be free of influence from personal opinion and bias.

No one shall be involved in the investigation or decision making process who has any vested interest in the result of the investigation. Conflicts or potential conflicts of interest that might compromise the impartiality of the investigation must be raised promptly.

12.3 Personal and Business Integrity

Members of the Investigation Team shall conduct themselves with integrity, honesty, fairness and diligence and in accordance with these investigation principles and the law.

12.4 Timeliness

All investigations must be carried out as soon as reasonably possible and be bound with a timeframe approved by the Compliance Committee based on complexity of the matter.

12.5 Competency

Knowledge of these principles and essentials of investigation are requirements to performing any investigations. It is important to consider not only the general investigation competency of each member of the Investigation Team, but the collective and combined competency of the team.

12.6 Protection from Retaliation

The Company does not tolerate retaliation against individuals who honestly raise issues on violation of this Procedure. Additionally, retaliation against any member of the Investigation Team is not acceptable. Retaliation includes but not limited to, intimidation, nepotism, bribery, physical harm, or threat.

13. References**13.1 Related Documents**

Sr No	Document Title	Document No
1	Code of Conduct & Ethics Manual	Q&C-MS-XX-003
2	Whistleblowing Procedure	Q&C-PR-021
3	Anti-Bribery and Corruption Procedure	Q&C-PR-018
4	Delegation of Authorities	LEG-MS-XX-003

13.2 Related Records

Sr No	Document Title	Document No
	N/A	

Note: XX – Refer to the latest revision in INTELEX