

## EURASIAN RESOURCES GROUP SARL

### ANTI-BRIBERY AND CORRUPTION POLICY

*In this document, the “Company” or “ERG” means Eurasian Resources Group S.á.r.l. and includes, where applicable, all subsidiaries. Regions and Business Units may implement more stringent rules to meet their local requirements.*

#### **1 Introduction**

---

- 1.1 ERG is committed to a culture of good business ethics and integrity and has zero tolerance of all forms of bribery and corruption. The Company will not tolerate its directors, employees or third parties in their relationship with the Company, being involved in bribery or corruption, whether by offering, promising, soliciting, demanding, giving or accepting bribes or behaving corruptly in the expectation of a bribe or an advantage.
- 1.2 This Policy shall be an integral part of the comprehensive anti-corruption program implemented by the Company which is regularly revised to capture changes in law, reputational demands and changes in the business.
- 1.3 The Policy is based upon Organization for Economic Co-operation and Development (OECD) Anti-Bribery Convention, United Nations Convention against Corruption, United Kingdom Bribery Act 2010 and other applicable anti-corruption legislation.

#### **2 The Policy’s objectives are:**

---

- 2.1 to ensure that the Company complies with applicable Anti-Bribery and Corruption laws;
  - 2.1.1 to provide Company employees with clear requirements and universal guidelines on the prevention, detection and reporting of behaviour, which fails to comply with applicable Anti-Bribery and Anti-Corruption laws and regulations;
  - 2.1.2 to set out the potential consequences for Company employees who do not comply with this Policy.
- 2.2 The Policy shall be applied together with the ERG Code of Conduct, ERG Gift and Entertainment Policy, ERG CSR Projects and Sponsorship policy, to comply with all applicable anti-bribery laws and all applicable laws relevant to its business, and satisfying related record keeping requirements.
- 2.3 The Company takes steps to require its counterparties to comply with this Policy

unless the relevant Counterparty has in place its own policies and procedures to prevent bribery and corruption, and such policies are at least as stringent as those set out in this Policy

### 3 Scope

---

3.1 This Policy applies to:

- the Company, all its subsidiaries and all associated persons of the Company or any of its subsidiaries<sup>1</sup>;
- all business dealings in all jurisdictions within which the Company conducts business.

3.2 The Policy sets out:

3.2.1 the Company's position on Anti-Bribery and Corruption.

3.2.2 the roles and responsibilities in ensuring compliance with applicable Anti-Bribery and Corruption laws as well as with this Policy.

### 4 Definitions

---

4.1 **Associated Person** - any person or entity which performs services for the Company or any of its subsidiaries, including employees (including temporary or contract staff), directors, officers, agents (including customs and shipping agents), consultants, intermediaries and suppliers.

4.2 **Bribe** means any payment, gift, loan, remuneration, commission, success fee, pay off or kickback or any non-monetary benefit intended to induce any person to do, or reward any person for doing, something dishonest or illegal, or to abuse someone's trust, and includes, without limitation, conduct that would constitute "bribery of foreign public officials" as defined in Article 1 of the Convention of the Organization for Economic Cooperation and Development on Combating Bribery of Foreign Public Officials in International Business Transactions dated November 21, 1997. This applies to bribery of Government Officials or commercial bribery.

Bribery is the offer, promise of, payment or receipt of a Bribe.

4.3 **Corruption** is the misuse of public power for private profit or misuse of entrusted

---

<sup>1</sup> See definition of associated persons in the Definitions section

power for private gain.

4.4 Government **Official** shall be broadly interpreted and means:

- (i) any elected or appointed Government official (e.g. a legislator or a member of a Government ministry),
- (ii) any member of the judiciary or any person who otherwise performs a judicial or quasi-judicial function
- (iii) any employee or individual acting for or on behalf of a Government Official, agency or enterprise performing a governmental function, or owned or controlled by, a Government, (e.g. an entity hired to review bids on behalf of a government agency)
- (iv) any political party officer, candidate for public office, officer, or employee or individual acting for or on behalf of a political party or candidate for public office,
- (v) any employee or individual acting for or on behalf of a public international organisation (e.g. the World Bank, the United Nations, the European Commission,
- (vi) any member of a royal family or a member of the military, and
- (vii) any individual otherwise categorised as a Government Official under applicable law.

**“Government”** means all levels and subdivisions of governments, including local, regional, national, administrative, legislative or executive.

4.5 **The Board** – the Board of Managers of Eurasian Resources Group S.á.r.l.

## 5 Policy Statements

---

### 5.1 Key statements

- 5.1.1 The Company always acts responsibly, honestly and with integrity and does not engage in or tolerate any form of Bribery or Corruption.
- 5.1.2 It is contrary to the Company's Policy for any Associated Person acting on behalf of the Company to:
  - 5.1.3 request / solicit or agree to receive or accept a bribe;
  - 5.1.4 offer, promise or give a bribe;
  - 5.1.5 offer, promise or give a payment, unless otherwise required by applicable law, to a local or foreign Government Official; this includes situations where such payment is made via an agent and you suspect or know that that payment is going to be used for that purpose;
  - 5.1.6 offer, promise or give employment with the Company (even on a temporary basis) in exchange for a commercial benefit for the Company or a personal benefit;

### 5.2 Key risk areas and requirements

This section deals with some specific situations that may present concern about the potential for bribery or corruption.

#### A. Gifts and Entertainment

- 5.2.1 In many countries where ERG does business there are generally accepted customs regarding the exchange of business gifts and providing hospitality to strengthen business relationships. They should never be used to obligate, or appear to obligate, the recipient. This type of promotional expense should be transparent, proportionate and *bona fide*, and appropriate to general business practice.
- 5.2.2 Gifts should be never provided in cash, cash vouchers, certificates with a set negotiable value, or other cash equivalents.
- 5.2.3 ERG employees may never seek or request gifts, entertainment or any other expenses, or personal preferential treatment in any matter, from any person or organization.
- 5.2.4 The ERG Gift and Entertainment policy generally permits the giving and receiving of business gifts that are customary business courtesies and are

reasonable in value and frequency.

- 5.2.5 Hospitality, entertainment, or other promotional expenses provided to Government Officials, business partners and customers for these purposes must comply with the limits, approvals and reporting requirements set out in the Gifts and Entertainment Policy and conform to applicable law. In the case of Government Officials, entertainment, gifts or other promotional expenses require prior authorisation from the Business Unit Compliance manager.

*B. Expenditures in connection with Government Officials*

- 5.2.6 ERG prohibits any person or persons associated with it either directly or through a third party to offer, promise or authorise a payment or provide anything of value to a Government Official or to another person at the Government Official's request in order to obtain or retain business or an advantage in the conduct of business.
- 5.2.7 Under limited circumstances, certain Anti-Corruption laws may allow for appropriate, reasonable and *bona fide* expenditure in connection with Government Officials. Employees should obtain the approval of the Compliance Department before agreeing to any such expenditure.

*C. Facilitation Payments*

- 5.2.8 Facilitation Payments, i.e. payments made or goods provided to perform, or expedite, a routine duty and or speed up the performance of any formal standard procedures irrespective of size or frequency, are forbidden other than in situations of duress. Examples of actions constituting facilitation payments:
- Request by custom officials for “undue custom duties” for the prompt clearing of items.
  - Payment to speed up the process of granting licenses or permits – “special acceleration fees”.
  - Payments to ensure prompt transit of equipment or cargo – “assurance payments”.

*D. Corporate Social Responsibility projects and Sponsorship*

- 5.2.9 The Company attaches great importance to the sustainable development strategy involving the balanced growth of economic, social, environmental and other performance indicators. As part of this strategy, the Company provides charitable donations and sponsorship to various organizations and institutions in the regions where it conducts its business.

- 5.2.10 In the implementation of corporate social responsibility and sponsorship programs, the Company and its employees shall make every effort to provide reasonable assurance that the assistance provided will not be used for corrupt purposes (including for the purpose of obtaining benefits for the Company's business illegally).
- 5.2.11 All organizations including local governments and municipalities, self-employed persons and individuals that the Company intends to support by means of sponsorship or charitable donations shall be assessed in accordance with the procedure as specified in Corporate Social Responsibility Projects and Sponsorship Policy and shall formalize their relationship with the Company in accordance with the ERG Counterparty Due Diligence Manual.
- 5.2.12 The information about all CSR projects and sponsorships of the Company shall be recorded in the books and records of the Company in accordance with the CSR Project and Sponsorship Policy.

#### *E. Procurement*

- 5.2.13 Suppliers, contractors and other business partners must be engaged through a fair, formal procurement process. Any procurement and contracting decisions should be based on the best value expected to be received, taking into account the merits of price, quality, performance, time, competency and compliance.
- 5.2.14 No directors or employees may solicit or accept any financial or other advantage which is offered, provided, authorised, requested or received as an inducement or reward for the improper performance of their duties related to procurement or contracting decisions.

#### *F. Employment of Government Officials*

- 5.2.15 The Company shall be entitled to employ officials or involve them into work/service under civil law\employment contracts in accordance with applicable law. However, to do so, the Company shall conduct assessment to ensure that there is no conflict of interests as well as to minimize the risks of corruption and other excessive use of the position taken.
- 5.2.16 The Company employees who used to be officials shall prove that the job they do implies no conflict of interests annually for five (5) years from the date they left their position as officials.
- 5.2.17 The procedure for assessment and hiring ex-Government Officials as well as

for the periodic Conflict of interest declaration is regulated by Conflict of Interest Policy.

#### *G. Recruitment of Employees*

- 5.2.18 The Company will provide an equal opportunities for the employment by ERG of any qualified and competent candidate, and will not tolerate discrimination in the hiring of suitable candidates.
- 5.2.19 The recruitment of employees should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed and to ensure that no element of corruption is involved in the hiring of employees.
- 5.2.20 Proper background checks should be conducted in order to ensure that the potential employee has not been convicted of any bribery or corruption offences nationally or internationally. More detailed background checks should be conducted when hiring employees for managerial positions, as they would be tasked with decision making obligations.

#### *H. Political contributions*

- 5.2.21 ERG will not, directly or indirectly, other than in exceptional circumstances approved in advance by the ERG Board, make political contributions. Any political contribution must be authorised in accordance with internal ERG regulations and applicable law.

#### *5.3 Relationship with Third parties*

- 5.3.1 **Applicability:** ERG expects all third parties acting for it or on its behalf to share the Company's values and ethical standards. The Company may be liable under the terms of Anti-Corruption law not only for the actions of its direct employees but also for the actions of the third parties in certain circumstances. For instance, the Company can be liable if it knew, or should have known, that its agent, intermediary, partner, contractor, consultant, supplier, joint venture partner or other third party over which it has control was going to pay a bribe or failed to take appropriate steps to attempt to prevent such payment and thus implicitly authorized the bribe.

In this respect, ERG will use its best endeavours to ensure that contracts or agreements include provisions on the avoidance of corruption and will also comply with the ERG Agents Compliance Policy.

5.3.2 **Agreements:** All agents, representatives, intermediaries, contractors, suppliers, consultants or other parties over which the Company has control must, as appropriate, acknowledge an understanding and agreement to comply with applicable Anti-Corruption laws and the ERG Code of Conduct. ERG retains the right to terminate its relationship if the third party is not fulfilling these requirements. Any violation or any solicitation by a third party that would result in a violation of the Anti-corruption laws, ERG Code of Conduct or applicable ERG policies should be reported immediately to Compliance Department.

5.3.3 **Due Diligence and monitoring:** It is the Company's policy to carry out appropriate due diligence and monitoring of third parties before and while conducting business with them. The Company has established procedures requiring that due diligence reviews be carried out, documented and recorded. ERG should be aware of, and periodically monitor, third party performance and business practices to ensure ongoing compliance. See the ERG Counterparty Due Diligence Manual for further information.

5.3.4 **Training:** High risk third parties (as assessed by the Compliance Group) shall receive training on applicable ERG policies at the beginning of their contractual obligations with ERG and from time to time thereafter as appropriate and in accordance with CPDD Manual.

#### 5.4 Accounting provisions: accurate books and records

5.4.1 The Company must make and keep books, records and accounts that accurately and fairly reflect its transactions and disposition of assets in sufficient details to facilitate a full understanding and audit trail. No false or misleading entries should be made and all entries should completely and accurately describe the transactions to which they are related.

5.4.2 No payment on behalf of the Company should be approved without adequate supporting documentation or made with the intention or understanding that all or part of any such payment is to be used for any purpose other than that described by documents supporting the payment.

5.4.3 Payments in cash should be limited only to purposes approved in Finance procedures.

5.4.4 All records are to be kept and maintained by the Company for a minimum of 10 years from the date of creation, or as otherwise set out in the Company



Document Retention Schedule approved by Group Legal from time to time.

## 5.5 Employees training

- 5.5.1 All relevant employees will receive regular training on this Policy and procedures. It is the employee's responsibility to attend such training when provided by the Company.

## 6 Responsibilities

---

- 6.1 The Board is responsible for establishing this Policy.
- 6.2 The Compliance Committee of the Board is responsible for oversight of compliance with this Policy.
- 6.3 The Group Chief Executive Officer, supported by the Group Head of Compliance, has responsibility for implementing this Policy in accordance with the requirements of the Board.
- 6.4 The Division and Business Unit Heads are responsible for the effective implementation of this Policy in their respective areas of responsibility and for establishing appropriate responsibilities, procedures, training and internal controls within their respective operations to ensure the consistent implementation of this policy across all jurisdictions and compliance with its requirements.
- 6.5 It is the responsibility of each Business Unit Head to ensure that their respective employees and all associated persons acting on behalf of the Company are made aware of this Policy and confirm they will comply with it, and that appropriate CPDD's are undertaken in relation to the appointment of all such parties and the monitoring of their activities.
- 6.6 It is the responsibility of each Company employee and associated person to comply with the terms of this Policy.

## 7 Exceptions

---

- 7.1 Any exceptions to the general rules contained in the Policy should be authorized in writing by Group Head of Compliance.

## **8 Monitoring and Audit**

---

- 8.1 Group Head of Compliance shall periodically, but not less than annually, report on the status of Anti-Bribery and Corruption Compliance to the Compliance Committee of the Board and Risk and Compliance management Committee.
- 8.2 Internal Audit of the Group may, on behalf of the Audit Committee of the Board, verify compliance with this policy and report to the Committee.

## **9 Non-compliance**

---

- 9.1 Any non-compliance with this Policy should be documented and reported to the owners of the Policy and Executives.
- 9.2 Any ERG employee or business partner found to have violated the Policy may be subject to disciplinary action, or administrative, civil or criminal liability, and/or termination of the Company's business relationship with such business partner in accordance with applicable laws.
- 9.3 If any employee or associated person has concern around activities of other Company employees, which could contravene the Policy, they are encouraged to report such concerns, in accordance with Whistleblowing and investigation policy, to the Company management, HR, Legal, Compliance or ERG Hotline (the ERG Hotline website ([www.erg.ethicspoint.com](http://www.erg.ethicspoint.com)), by phone (list of the numbers is provided on [www.erg.ethicspoint.com](http://www.erg.ethicspoint.com)) or send email to [Compliance@erg.net](mailto:Compliance@erg.net)).

## Appendix - Corruption indications and Red flags

A variety of indicators that could suggest possible increased corruption risks and should trigger special alert:

- Abnormal cash payments
- Pressure exerted for payments to be made urgently or ahead of schedule
- Payments being made through 3rd party country, e.g. goods or services supplied to country 'A' but payment is being made, usually to shell company in country 'B'
- Abnormally high commission percentage being paid to a particular agency. This may be split into 2 accounts for the same agent, often in different jurisdictions
- Private meetings with public contractors or companies hoping to tender for contracts
- Lavish gifts being received
- Individual never takes time off even if ill, or holidays, or insists on dealing with specific contractors him/herself
- Making unexpected or illogical decisions accepting projects or contracts
- Unusually smooth process of cases where individual does not have the expected level of knowledge or expertise
- Abusing decision process or delegated powers in specific cases
- Agreeing contracts not favourable to the organisation either with terms or time period
- Unexplained preference for certain contractors during tendering period
- Avoidance of independent checks on tendering or contracting processes
- Raising barriers around specific roles or departments which are key in the tendering/contracting process
- Bypassing normal tendering/contractors procedure
- Invoices being agreed in excess of contract without reasonable cause
- Missing documents or records regarding meetings or decisions
- Company procedures or guidelines not being followed
- The payment of, or making funds available for high value expenses or school fees etc. on behalf of others.