



## CENTRAL ASIA METALS GROUP

(Including Central Asia Metals PLC and all its Subsidiaries, branches, joint ventures and associated businesses)

### ANTI-BRIBERY POLICY

#### 1. INTRODUCTION

This document describes the Anti-Bribery Policy of Central Asia Metals Group and all its subsidiary companies worldwide. It explains the measures and behaviours to be adhered to by all Central Asia Metals Group officers, employees, and associated persons (including consultants, agents, suppliers and representatives of Central Asia Metals Group).

#### 2. KEY POLICY PRINCIPLES AND DEFINITIONS

Central Asia Metals Group is committed to honesty and integrity in how it does business in all the countries and territories in which it operates. No employee, officer or associated person (including agents, consultants, suppliers or representatives) of Central Asia Metals Group may engage in any dishonest practice or any form of bribery or other corruption anywhere in the world. COMPLIANCE WITH THIS POLICY IS MANDATORY AND NO OTHER POLICY OR OBJECTIVE TAKES PRECEDENCE OVER THIS RULE.

"**Corruption**" includes bribery, facilitation payments and giving or receiving any improper advantage.

"**Bribery**" includes directly or indirectly offering, promising, giving, seeking, demanding, arranging or receiving any bribe, kickback or improper advantage (including any discount, loan, benefit or payment), as further explained below.

"**Facilitation payments**" are payments made to individuals for routine (often government) functions to ensure that a person performs their duty, either more promptly or at all (as set out in further detail below).

This policy applies to all Central Asia Metals Group companies' officers, employees and associated persons, who must:

- Act with integrity at all times.
- Comply with such laws of the United Kingdom, United States, AND any other country or territory in which they are operating, as applicable to them and the Group. Key provisions of UK and US law include the following:
  - It is an offence to offer, promise or give a bribe to another person or entity; and a specific offence to bribe a public official. This includes the prohibition of facilitation payments.
  - In addition, it is an offence to offer, promise or give anything of value made corruptly, directly or through one or more intermediaries, for the purpose of influencing any act or decision, and to assist in obtaining or retaining business, directing business to any other person or securing any improper advantage, whether for Central Asia Metals Group or for personal benefit or the benefit of family, friends or acquaintances.
  - It is also an offence to request, agree to receive or accept a bribe from another person or entity.
  - Failing to prevent bribery is a corporate criminal offence.
  - It is a requirement that books, records and accounts are made and maintained accurately and fairly, reflecting transactions and the disposition of assets.

- It is a requirement that a system of internal accounting controls is maintained that is sufficient to provide reasonable assurance that transactions are executed in accordance with management's authorisation.
- Not make improper payments or give improper advantages, either directly or through third parties or related parties (such as families), and the Group must therefore be diligent in selecting and monitoring contractors, agents and partners.
- Not induce or facilitate someone else to break laws (both local and International).
- Maintain full records of all payments made by all businesses in the Group.

In many countries bribery and/or corruption is a criminal offence, as are attempts, incitement or conspiracy to commit such an offence. The penalties on conviction are likely to be severe, and may include imprisonment. Further, this policy applies to all activities connected with Central Asia Metals Group's business (whether involving private or public individuals or entities), even if the activity has no direct connection with the US or UK or is performed outside the US or UK. For example, commission of an offence overseas which would be criminal if committed in the UK is also a crime in the UK, and can lead to prosecution in the UK. Similarly, the US Foreign Corrupt Practices Act (FCPA) can lead to prosecution in the US.

Engaging in bribery or other corrupt practices may also have the effect of making an employee or officer of the Group liable to pay damages or other remedies to a Group company or others.

It is the responsibility of each line manager to ensure that his/her staff are made aware of Central Asia Metals Group's Anti-Bribery Policy. All members of staff, upon being made aware of the existence of the policy, are personally responsible for complying with it, without exception.

Any action in breach of this policy may constitute gross misconduct and as such could lead to dismissal. Any breach of this policy by any agent, consultant or supplier will result in Central Asia Metals Group's contract with any such party being terminated with immediate effect and shall entitle Central Asia Metals Group to seek an appropriate remedy. Any instance of breach, or suspected breach, of this policy will be investigated and appropriate disciplinary action taken as necessary, which may include reporting to appropriate authorities.

No officer, employee or other associated person will suffer demotion, penalty, or other adverse consequences for refusing to pay or accept bribes even if such refusal may result in loss of business to Central Asia Metals Group. And any such instances should be promptly notified to the Group Compliance Officer.

It must be recognised that it is not possible for this policy to outline a code for dealing with every situation. Officers, employees and associated persons are relied upon to exercise their own judgement, initiative and common sense when dealing with issues within the context of the principles set out above. If an employee is in doubt about a given situation then he should consult his Line Manager, who should refer it to the Group Compliance Officer for consideration.

The General Counsel will act as Central Asia Metals Group's Group Compliance Officer.

### **3. GIFTS, ENTERTAINMENT, HOSPITALITY AND RELATED EXPENSES**

Excessive generosity in making gifts, giving entertainment or hospitality and funding related expenses to parties from whom business is sought can be seen as bribery, and any such item that is or could be perceived as such is prohibited. However, it is recognised that the vast majority of such gifts, hospitality and expense payments are appropriate to the legitimate purpose of creating goodwill or building relationships and trust.

The presentation of gifts of small or sentimental value to existing business partners is very unlikely to be seen as corrupt. The same is true of entertainment or hospitality to prospective business partners which is part of normal marketing and promotional activity.

All gifts, entertainment and hospitality and related expenses must be reasonable and proportionate and must conform to the laws of the countries where they are given and received. No immoral entertainment or hospitality may be given or received under any circumstances.

Payments in cash or cash equivalents (such as gift certificates) must not be offered or received.

Officers, employees and associated persons must ask themselves in each case whether there is a genuine business justification for a particular gift or hospitality, and whether the gift or hospitality is objectively reasonable and proportionate in all the circumstances, taking into account industry best practice. If an employee is in any doubt about a given situation then she/he should consult their Line Manager.

No gift or hospitality should be given or received in exchange for any services, products, information or other consideration or advantage.

A list of gifts, hospitality and related expenses given or received which could reasonably be expected to be scrutinised by Central Asia Metals Group should be kept and reported to the Group Compliance Officer for periodic reporting to the Audit Committee.

#### **4. POLITICAL AND CHARITABLE DONATIONS**

In some countries, political donations by companies have the same effect as bribes, in particular where the political party in question is in government or in a position to award business to the donating company. **CENTRAL ASIA METALS GROUP DOES NOT MAKE ANY POLITICAL DONATIONS.**

If a Central Asia Metals Group officer, employee or associated person is asked for a political donation in the context of contract discussions, no such donation should be made and the matter should be reported to the relevant Line Manager and the Group Compliance Officer immediately.

Sometimes requests for bribes or political donations are disguised as requests to donate to charities. These must be avoided.

Charitable donations may not be made without reference to and approval by the Group's CEO. No donations should be made to unregistered charities or charities with little profile. Charities with political connections should be avoided at all times.

A detailed record should be kept of all charitable donations, and details will be disclosed in the Group's annual accounts.

#### **5. FACILITATION PAYMENTS**

Facilitation payments typically involve a small payment to a minor official to allow some administrative procedure to occur more quickly or at all. These are not seen by many as being equivalent to large scale corruption and are not illegal in some countries. However, the UK legislation which applies to Central Asia Metals Group and all of its officers, employees or associated persons does not exempt facilitation payments from the law against bribery and corruption. **AS A RESULT, CENTRAL ASIA METALS GROUP DOES NOT ALLOW FACILITATION PAYMENTS TO BE MADE.**

Some service providers do offer all customers on an open basis improved service in exchange for a higher price. A payment which is routinely required of all those who seek more rapid or efficient service is not a bribe or facilitation payment and not illegal. It is allowable under this policy. Legitimate payments of this nature are paid to the service provider itself, not to its employees.

#### **6. ENGAGING THE SERVICES OF GOVERNMENT OFFICIALS OR GOVERNMENT ORGANISATIONS**

Engagement of government officials and government organisations is not allowed without the prior approval of the Group Compliance Officer.

#### **7. CUSTOMER ENGAGEMENTS**

If any customer or prospective customer seeks any form of bribe, you must report this immediately to your line manager, who must report it to the Group Compliance Officer; or to the Group Compliance Officer directly.

This applies to any customer or prospective customer, or any employee, agent or representative of any such customer or prospective customer.

## **8. RISKS TO PERSONAL SAFETY**

In the rare circumstance where Central Asia Metals Group personnel or associated persons face immediate risks to their personal safety, such as extortion backed by physical threats, the individual involved should take any reasonable action to remove himself from physical danger as soon as possible. Once the individual in question is able to do so, a full report should be made to the Group Compliance Officer, as well as to the local authorities.

## **9. BOOKS AND RECORDS**

All transactions must be properly and fairly recorded. All books and records will be open to inspection by the Board of Directors, auditors, internal auditors and any other party entitled to do so. There must be no “off book” or secret accounts, and no documents may be created which do not fairly and accurately reflect the transactions to which they relate.

All staff will provide receipts and full details of business entertainment or gifts provided to any third party if such entertainment or gifts could reasonably be expected to be scrutinised by Central Asia Metals Group.

All staff, consultant, agent expenses should be submitted with proper receipts, and duly authorised according to Group Expenses policy.

All consultants' and agents' contractual payments should be vetted for reasonableness by the individual authorised to approve them. Any question of doubt should be raised with the Group Compliance Officer.

A list of the gifts made to third parties which could reasonably be expected to be scrutinised by Central Asia Metals Group should be provided to the Group Compliance Officer and will be presented to the Audit Committee periodically.

## **10. CONSULTANTS, AGENTS AND SUPPLIERS**

Central Asia Metals Group sometimes retains third parties as consultants or agents to represent its business interests. The procedure (set out below) for the appointment of agents applies to all such appointments.

It is important to have a consistent procedure for the appointment and retention of agents worldwide. It is expected that following this procedure will enable Central Asia Metals Group to manage its agents more effectively as well as reduce Central Asia Metals Group's commercial and legal risks.

The default position is that Central Asia Metals Group should be capable of representing its own interests in most cases, and so the use of an agent needs to be objectively justified. Central Asia Metals Group's businesses will be required to make a case for appointing or retaining an agent in each situation, and use of the procedure should ensure that the risk to Central Asia Metals Group of using an agent will be minimised as far as possible.

The procedure for the appointment of agents has three main stages:

- (1) The relevant Central Asia Metals Group business produces a business case for the appointment or retention of an agent. The case is submitted to the Line Manager and the Group Compliance Officer if a decision to appoint is taken, at least two suitable candidates should be investigated and interviewed before an appointment is made;
- (2) On receipt of the application, the Line Manager contacts the agent, carries out a “due diligence” exercise, and negotiates a suitable contract (including suitable provisions to procure compliance with relevant anti-corruption laws and policy). The proposed appointment is then reviewed by the Group Compliance Officer, and approved if found acceptable;
- (3) The Line Manager of the relevant Central Asia Metals Group business monitors the relationship with the agent and refers compliance concerns to the Group Compliance Officer.

## 11. AGREEMENTS WITH CONSULTANTS, AGENTS AND SUPPLIERS

- All officers, employees and agents should ensure that when negotiating a new or renewing an existing agency/consultancy/supplier agreement, that best efforts are used to demand the insertion of a provision into the agreement where the agent/consultant/supplier agrees to:
  - read and confirm their understanding of, and compliance with, this Anti-Bribery Policy;
  - observe the highest ethical principles in performing work as an agent/consultant/supplier for Central Asia Metals Group;
  - be familiar with and strictly comply with all laws and regulations, including those of the United Kingdom, the United States and the jurisdiction in which the agreement is entered into, on bribery, corruption, and prohibited business practices; and
  - warrant and agree that the agent/consultant/supplier and its affiliates have not and will not offer, promise or make or agree to make, or accept, request, receive or agree to receive any financial or other advantage (including, but not limited to, payments or gifts of money or anything of value) directly or indirectly to anyone for the purpose of influencing, or inducing anyone to influence decisions in favour of Central Asia Metals Group or any of its subsidiaries or affiliates.
  
- All new and existing agencies/consultants/suppliers should be vetted by the officers and a risk assessment should be prepared.

## 12. TRAINING, REPORTING AND “WHISTLEBLOWING”

All Central Asia Metals Group officers, employees or associated persons are required to attend compulsory periodic training on compliance with this policy and relevant laws and regulations.

Central Asia Metals Group operates a Whistleblowing Policy, and its purpose and procedure are described in the attached memorandum and can also be found on the Company’s website. All Central Asia Metals Group officers, employees or associated persons must, immediately upon becoming aware to report any breaches of this policy to the Group Compliance Officer or under the Group’s Whistleblowing Policy. All such reports will be investigated, in confidence as far as possible.

Central Asia Metals Group will support any officer, employee or associated person who makes such a report and will ensure that the report is treated appropriately. No disciplinary action may be taken against any person who makes a legitimate report, even if the suspicions reported turn out to be incorrect. Disciplinary action will be taken against any person who attempts to victimise or discriminate against a person making such a report.

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I confirm that I have read, understood and shall comply with the above policy document.

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**Name (block capitals)**

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**Signature**