



Anti-Bribery & Corruption  
Code of Conduct and  
Policy

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## **Code of Conduct - Overview**

The Company strictly prohibits the offer, provision or acceptance of Bribes. The Company has zero tolerance for Bribery and Corruption and is committed to ensuring its corporate culture actively discourages corrupt conduct in the strongest possible terms. The Company is expected to meet the highest ethical standards in line with Australian and British anti-bribery and corruption standards. Serious criminal and civil penalties, as well as reputational damage, may be incurred if the Company or an Employee is involved in bribery or corrupt practices.

The UK Bribery Act 2010 (the "Bribery Act") received Royal Assent in April 2010 and became law on 1 July 2011.

The Bribery Act introduces a strict liability offence for organisations of failing to prevent bribery. The introduction of this new corporate criminal offence places a burden of proof on organisations to show that they have 'adequate procedures' in place to prevent bribery, with the adequate procedures being informed by the following 6 principles:

Principle 1 - Proportionate procedures

Principle 2 - Top-level commitment

Principle 3 - Risk assessment

Principle 4 - Due diligence

Principle 5 - Communication, including training

Principle 6 - Monitoring and review

An organisation will be guilty of an offence under the Bribery Act if an 'associated person' carries out an act of bribery or corruption in connection with the organisation's business. Most importantly, a person will be associated with the organisation where he or she performs services for, or on behalf of, that organisation; the association could be as a result of being an employee, or through another role such as a subsidiary, agent, third-party, intermediary or supplier.

The Company's Implementation and Action Plans in relation to the Bribery Act are summarised in Appendix 2. It must be noted that some actions are the responsibility of each individual or Manager, whereas others are managed by nominated functions within the Company.

The Ministry of Justice guidance highlights the critical need for a formal statement "of the commitment to zero tolerance to bribery". This document (hereinafter referred to as the "Code of Conduct", "Policy" or "Code of Conduct and Policy") is designed to address that requirement and to provide an Anti-Bribery & Corruption Code of Conduct and Policy for employees and all persons associated with Metal Tiger plc (the "Company").

## **1. Introduction and Policy Statement**

**It is the policy of the Company to conduct all business in an honest and ethical manner, and that all employees of (and other persons associated with) the Company should conduct business on the Company's behalf honestly. Employees should not use bribery or corrupt practices in order to gain an unfair advantage, or for any other purpose.**

- 1.1. The Company has a zero-tolerance policy towards bribery and corruption and is committed to the highest levels of openness, integrity and accountability, both in letter and spirit, in all business dealings and relationships. This applies equally to persons associated with the Company as a result of being an employee, agent, third-party, intermediary, representative, business partner or supplier, or through another role such as a subsidiary.
- 1.2. The Company is committed to upholding all laws relevant to countering bribery and corruption (including the Bribery Act) and shall implement and enforce effective systems to counter bribery and corruption. This is not just a cultural commitment on behalf of the Company, but reflects the legal consequences for non-compliance. It is a criminal offence to offer, promise, give, request, or accept a bribe in both Australia and the UK. Individuals found guilty can be punished by imprisonment and/or a fine. An employer which fails to prevent bribery can face fines, exclusion from tendering for public contracts, and reputational damage. The Company therefore takes its legal responsibilities seriously.
- 1.3. This Code of Conduct has been adopted by the Board of the Company and it is essential that everyone involved in the business of the Company is aware of it, committed to it and abides by it.
- 1.4. Any breach of this Policy will be considered as a serious matter and is likely to result in disciplinary action up to and including dismissal.

## **2. About this Policy**

The purpose of this Policy is to set out the Company's responsibilities and the responsibilities of persons working for the Company in observing and upholding the Company's position on bribery and corruption, and to provide information and guidance to such persons on how to recognise and deal with bribery and corruption issues.

- 2.1. This Policy does not form part of any employee's contract of employment and the Company may amend it at any time and in any way in its sole discretion.

- 2.2. This Policy applies in respect of the Company and all other entities within the Company's group (whether such entities are based in the UK or overseas). It is mandatory and, as such, is not allowed to be adapted locally.

### **3. What is Bribery and Corruption, and what is a bribe?**

**Bribery is the offer, promise, giving, demanding or acceptance of an advantage as an inducement for an action which is illegal, unethical, a breach of trust or the improper performance of a contract. Inducements can take the form of gifts, fees, rewards, jobs, favours or other advantages.**

**A bribe is an inducement, gift or reward offered, promised or provided in order to gain any commercial, contractual, regulatory, personal or operational advantage. Bribes can take the form of gifts, loans, fees, services, rewards or other advantages.**

**Corruption is the misuse of entrusted power for personal gain.**

- 3.1. No person covered by this Policy, under no circumstances, is permitted to give, offer, promise, accept, request or authorise a bribe, or engage in bribery, whether directly or indirectly. Any conduct which may otherwise be permitted by other provisions of this policy is prohibited if it would contravene the preceding.
- 3.2. No person covered by this Policy, under no circumstances, are permitted to engage in corruption, whether directly or indirectly. Any conduct which may otherwise be permitted by other provisions of this policy is prohibited if it would contravene the preceding.
- 3.3. The Bribery Act made radical changes to UK bribery and corruption law and puts UK legislation amongst the strictest in the world. The Bribery Act introduced a new strict liability offence for organisations of failing to prevent bribery. The introduction of this new corporate criminal offence places a burden of proof on organisations to show that they have 'adequate procedures' in place to prevent bribery, with the adequate procedures being informed by the 6 principles detailed in the Overview on page (ii) of this Policy.
- 3.4. The Company may be guilty of an offence under the Bribery Act if an 'associated person' carries out an act of bribery or corruption in connection with the Company's business. Most importantly, a person will be associated with the Company where he or she performs services for, or on behalf of, the Company; the association is widely interpreted and could be as a result of

being an employee, or through another role such as (but not limited to) a subsidiary, agent, third-party, intermediary or supplier.

- 3.5. The Bribery Act provides for strict penalties for 'active' (giving) and 'passive' (receiving) bribery by individuals, as well as companies. The four prime offences are:
- A general offence covering offering, promising or giving a bribe;
  - A general offence covering requesting, agreeing to receive or accepting a bribe;
  - A discrete offence of bribery of a foreign public official to obtain or retain a business advantage; and
  - A strict liability offence of failure by a commercial organisation to prevent bribery by any associated person (with the defence for the organisation being proof that it has adequate procedures in place designed to prevent bribery by its associated persons).
- 3.6. Acts of bribery or corruption are designed to influence the individual in the performance of their duties and incline them to act dishonestly. The person being bribed is generally someone who will be able to obtain, retain or direct business. This may involve activities such as buying, selling or adjudication, or it may involve administrative tasks such as licences, customs, visas, fines or taxes. It does not matter when the act of bribery is committed, either before or after the activity has been undertaken.
- 3.7. Appendix 1 gives some examples of 'Red Flag' risk areas. These are common sets of circumstances which are potentially conducive to bribery or corruption under the Bribery Act which are relevant to mining companies. If employees or other persons associated with the Company encounter any activity that may potentially be considered as acts of bribery or corruption under the Bribery Act, or if they have any concerns regarding the application of this Code of Conduct, they should report it to a member of the Management Board in accordance with section 9.

#### **4. Who must comply with this Policy?**

- 4.1. Under the Bribery Act, bribery and corrupt behaviour might be committed by:
- An employee or officer;
  - A person acting on behalf of the Company (including agents, third parties and representatives); or
  - Individuals and Companies that authorise someone else to carry out these acts.

As such, this Policy applies to all persons working for the Company or on behalf of the Company in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with the Company, wherever located.

4.2. Bribery and corruption will often involve public or government officials and this is a specific offence under the Bribery Act (as described in section 3.5). It is important, again, to recognise that 'government official' is widely interpreted and could include:

- A public official in the UK or overseas;
- A political candidate or party official;

**5. A representative of a government-owned or majority controlled organisation; or**

- An employee of a public international organisation.

## **6. Individual Responsibilities**

If you are one of the persons referred to at section 4.2 above then you should be aware that it is not acceptable for you (or someone acting on your behalf) to:

- give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
- accept a payment, gift or hospitality from a third-party that you know or suspect is offered with the expectation that it we will provide a business advantage for them or anyone else in return;
- accept hospitality from a third-party that is unduly lavish or extravagant under the circumstances;
- offer or accept a gift to or from government officials or representatives, or politicians or political parties, without the prior approval of your line Manager;
- threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this Policy; or

- engage in any other activity that might lead to a breach of this Policy.

## **7. Bribery and corruption penalties**

- 7.1. Bribery is a criminal offence in most countries and the penalties can be very severe, potentially resulting in prison sentences of up to 10 years, unlimited fines or both.
- 7.2. The Bribery Act not only makes bribery illegal, but also holds organisations liable for failing to prevent such acts by those working for them, or on their behalf, irrespective of where the act takes place. Similar legislation is in place in many other countries, including the Foreign and Corrupt Practices Act 1977 in the USA.
- 7.3. It is in the interest of both the Company and the individual that everyone associated with the Company acts with propriety at all times and in all locations where Company business is conducted; both in the UK and overseas. Corrupt acts committed abroad may well result in prosecution in the UK.
- 7.4. Failure to comply with, or breach of, any parts of this Code of Conduct could be regarded as a disciplinary offence, up to and including gross misconduct. Penalties could include dismissal without notice, or pay in lieu of notice, in accordance with the Company's disciplinary policy in effect from time to time.

## **8. Controls and record-keeping**

The management and control of gifts and hospitality, donations and similar activities are central to the Company having, and being seen to have, an effective Anti-Bribery & Corruption programme.

- 8.1. **Gifts and hospitality.** It is essential that the guidance and process in the Entertainment, Favours and Gifts section of the Company's Business Code of Conduct, Ethics and Compliance Guide ("BCCG") are followed regarding declaring and accepting any gift or hospitality of any value. It must be stressed that some gifts and hospitality remain acceptable, as described in the BCCG. The Company's Management Board is responsible for maintaining a Gift and Hospitality Register recording accepted and declined gifts and hospitality.**Donations.**
  - Political Donations. We do not make contributions to political parties.
  - Charitable Donations. We only make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval.
- 8.3. **Facilitation payments.** In many countries, it is customary business practice to make payments or gifts of small value to junior government officials,

customs officers and people in similar official roles in order to speed up or facilitate a routine action or process. UK legislation makes no distinction between facilitation payments and bribes - regardless of value or local culture, even if that is 'how business is done'. Facilitation payments as defined here are not permitted under this Code of Conduct and the Company takes the simple view that they are illegal - under UK jurisdiction, and in many other countries. However, there are clearly exceptions - if a facilitation payment is extorted, or if personal safety or protection of life is involved. Any payments made under duress must be brought to the attention of the Management Board and recorded appropriately.

- 8.4. **Conflicts of interest.** The Company keeps a "Record of Interests" and it is essential that this is kept up-to-date by individuals associated with the Company in order to prevent any conflicts, or perceived conflicts, of interest. It must be recognised that transparency is of paramount importance and, as a consequence, potential conflicts of interest involving family members, business activities and other occupations must all be declared using the authorisation process. If you have any questions about what should be declared then your query should be directed in the first instance to your line manager.
- 8.5. **Record keeping.** The Company shall at all times keep financial records and maintains appropriate internal controls which evidence the business reason for any and all payments to third parties. All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers shall be prepared by the Company accurately and completely.

## 9. Bribery concerns

- 9.1. **Raising a concern.** If you are one of the persons referred to at section 0 above then you are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage with your line manager. If you are unsure about whether a particular act or omission constitutes bribery or corruption, you are required to raise it with your line manager nevertheless and as soon as possible. If speaking with your line manager is not possible or appropriate, you can contact a member of the Management Board directly instead.
- 9.2. **What if you are a victim of bribery or corruption?** In the event that you are a victim of bribery or corruption (e.g. you are approached about a bribe or offered a bribe) then it should immediately be notified to a member of the Management Board.
- 9.3. **Support and protection.** Where a bribery or corruption-related concern is reported in good faith, typically in the circumstances of 9.1 and 9.2 above, then the Company will afford appropriate support and protection to the reporter, even if they turn out to be mistaken. All of your reports under this section 9 shall be treated with confidence.

- 9.4. **Investigation process.** Any bribery or corruption-related investigations will be undertaken under the supervision of the Audit Committee. The decision to involve the police and/or other external organisations (such as the Serious Fraud Office (SFO)) will be taken by the Management Board in conjunction with the Chair of the Audit Committee.
- 9.5. **Self-reporting.** This refers to the situation where an organisation becomes aware that an offence under the Bribery Act may have been committed, and must decide if the scale and circumstances warrant reporting to the relevant authorities, typically the SFO or Office of Fair Trading. The formal decision to self-report, where that is an option for the Company, will be taken by the Chair of the Audit Committee in conjunction with appropriate internal and external advisers.

## 10. **Anti-bribery and Bribery Act accountability, roles and responsibilities**

**Overall responsibility of the Board.** The Board retains overall responsibility for the management of all aspects of anti-bribery and corruption (including this Code of Conduct and Policy), as part of the wider corporate governance process. The Board will delegate responsibility to the Audit Committee for monitoring the policies and procedures in place for compliance and effectiveness both internally and externally, which the Audit Committee will include in its Annual Report. The Board will also undertake periodic reviews of all aspects of bribery and corruption, as part of the wider corporate governance process. Both the Audit Committee and the Board will be supported in undertaking these tasks by the Management Board and the Company's external auditors and legal advisers.

- 10.1. **Code of Conduct and Policy.** Responsibility for the preparation, arranging appropriate legal reviews and updating of this document is held by the CEO and FD of the Company. Any questions about this document, the Company's Anti-Bribery and Corruption process or response to the Bribery Act should be directed to a member of the Management Board in the first instance.
- 10.2. **Managers, Audit Committee and Board.** All line managers have responsibility for ensuring that they and their staff take part in Anti-Bribery & Corruption training provided by the Company, and that those staff members understand this Policy and how to comply with it. Line managers (with the support of the Management Board) have the day-to-day responsibility for implementing this Policy, monitoring its use and efficacy, and auditing internal control systems and procedures to test their effectiveness. Line managers also act as the initial point of contact for any queries or issues relating to bribery and corruption issues raised by their staff.
- 10.3. **On-going reviews.** As part of the wider governance process, the Audit Committee will undertake an annual 'fitness for purpose' certification of the

Company's anti-bribery, corruption and Bribery Act capabilities in light of legislative developments and emerging best practice.

## **11. Additional guidance**

Additional guidance on all aspects of Anti-Bribery and Corruption and the Bribery Act can be obtained, in the first instance, from your line manager. If this is not possible or appropriate, then a request can be raised directly with a member of the Management Board.

## Appendix 1 - 'Red Flag' risk areas relevant to Mining Companies

Whilst it is accepted that the following risk scenarios are central to the activities of the Company, nonetheless the associated bribery and corruption risks should not be underestimated:

1. **Operating in high-risk countries.** Many of the countries in which mining companies tend to operate are identified as posing a higher corruption risk by sources such as Transparency International's Corruption Perceptions Index. If you are unfamiliar with the custom, practice and particular risks in the jurisdiction in which you are working, please contact your line manager who will be able to provide you with additional advice and/or training.
2. **Interactions with government officials.** There is some level of risk inherent in interactions with government officials, particularly in high-risk countries, since this presents an opportunity for officials to request or demand bribes or facilitation payments.
3. **Use of agents.** Mining companies often rely on local agents to investigate opportunities, liaise with government authorities, secure permits and permissions on their behalf, or assist in the onward sale of mined products. Although this is often the most efficient way to do business, agents and intermediaries can be used to make improper payments, or may do so on their own initiative, in an attempt to secure business if not subject to the proper controls.
4. **Excessive gifts/entertainment/travel/per diems.** Many mining companies operate corporate hospitality programs offering gifts and entertainment to government officials and other third parties with whom they have business relationships. Companies may also wish to pay for officials to travel to visit particular projects, whether this involves payment of travel expenses and/or per diem payments. Although these are all permissible payments when made for legitimate business purposes, there is a risk that expenditure of this type can be misused for corrupt purposes, or perceived as such.

## Appendix 2 - Bribery & Corruption Implementation and Action Plans

This Code of Conduct and Policy is intended to address a number of aspects of the principles introduced by the Bribery Act, and to directly discharge some aspects of adequate procedures as required under the Bribery Act.

1. **Top-level commitment.** This Code of Conduct has been adopted by the Board. The Company's governance processes will also incorporate periodic bribery and corruption reviews, directly linked to the risk assessment process.
2. **Risk assessment.** This is central to the success of the Company's Anti-Bribery & Corruption programme. Bribery & Corruption risk assessment and consequent risk mitigation will form a substantial component of the Company's overall risk management programme and will be led by the Management Board. The risk assessment will recognise that business practices around the world can vary widely and may be deeply rooted in history, attitudes, cultures and the business prosperity of that particular region. The Company's Risk Register and associated controls will be formally reviewed by the Board to an agreed timetable.
3. **Due diligence.** A risk-based review will be undertaken of the policies and approaches to the prevention of bribery consultants employed by third parties and suppliers of goods and services. Where a higher level of risk is judged to exist as in Section 2 above, the Company will undertake more comprehensive due diligence.
4. **Accurate record-keeping.** Many serious bribery and corruption offences in other organisations have been found to involve some form of inaccurate record-keeping; it is for this reason that some bribery and corruption-related legislation incorporates offences directly related to record-keeping. Accurate records and financial reporting must be maintained for all activities, including where third parties are acting on the Company's behalf. Clearly, false, misleading, misstated or inaccurate records could significantly damage the reputation of the Company and it is for this reason that the Audit Committee will be requested to undertake a periodic special corruption-related review of records which will then feed into the Company's internal controls and monitoring procedures.
5. **Training, communication and declaration.** The Company will develop a risk-based Anti-Bribery & Corruption training programme for all employees. This will be supported by both regular communications and a periodic refresher appropriate to an individual's role and responsibilities. Induction training for new employees will incorporate Anti-Bribery & Corruption, where

relevant to the employee's role. All new employees will also have a mandatory Bribery Act clause inserted into their contracts of employment and it is the intention of the Company to incorporate a relevant clause into existing employment contracts at an appropriate juncture. After initial training, subsequent Anti-Bribery & Corruption training will be incorporated into the wider compliance training programme on an annual basis. Periodic reminders will be issued by a member of the Management Board to maintain awareness of bribery and corruption. On completion of their training, all employees will be expected to complete the 'Declaration of Understanding' in the form shown at Appendix 3, confirming that they have undertaken the training and understand this Code of Conduct (which will have already been issued to them by paper) and their responsibilities hereunder. Failure to do so will be considered a disciplinary offence, and will be dealt with in accordance with the Company's disciplinary policy in effect from time to time.

6. **Code of Conduct for third parties.** A version of this Code of Conduct will be provided to all third parties who could be considered 'associated persons' under the Bribery Act. Those individuals and/or their organisations will also be expected to complete an equivalent 'Declaration of Understanding'. Failure to complete a 'Declaration of Understanding' confirming that they have undertaken appropriate training and that they understand the version of the Code of Conduct supplied to them and their responsibilities thereunder could be considered sufficient reason for contract termination.
7. **Associated Persons**, including agents and consultants. All associated persons, but particularly agents and consultants, will have an appropriate standard clause inserted into their contractual documents, which can be derived from this Code of Conduct with the advice of the Company's legal advisers.
8. **All existing and new suppliers** will be asked to supply evidence of their anti-bribery policies and procedures by the Company's procurement team.
9. **Gifts and hospitality**, the process for approving and recording gifts and hospitality will be reviewed in the light of the Bribery Act. The review will include the creation of a "Gifts and Hospitality Register".

### **Appendix 3 - Declaration of Understanding Form**

This declaration is intended to be completed online by all employees of Metal Tiger plc (the "Company"), but where this is not possible, this page should be printed and completed manually.

#### **DECLARATION OF UNDERSTANDING OF THE COMPANY'S ANTI-BRIBERY & CORRUPTION CODE OF CONDUCT AND POLICY**

I confirm that I have read and understood the Company's Anti-Bribery & Corruption Code of Conduct and Policy (the "Code of Conduct and Policy").

I understand the requirements of the Code of Conduct and Policy and my responsibilities thereunder. I understand that (i) I must notify my line manager as soon as possible if I suspect or believe that a conflict of the Code of Conduct and Policy has occurred or may occur in the future; and (ii) in the event that I am a victim of bribery or corruption I will immediately notify a member of the Management Board.

I understand that if I am party to any breach of the Code of Conduct and Policy then it could be regarded as gross misconduct and that this may result in disciplinary action, up to and including my dismissal, in accordance with the Company's disciplinary procedures in effect from time to time.

Signed: .....

Name: .....

Position: .....

Date: .....