



BEOWULF MINING PLC: ANTI BRIBERY POLICY

The purpose of this policy is to set out Beowulf Mining Plc and its subsidiary companies' (**Group Company**) expectations in relation to bribery and corruption, which are prohibited in all instances.

The Bribery Act 2010 (**the Act**) came into force on 1 July 2011. The Act extends to England & Wales, Scotland and Northern Ireland. Under the Act it is an offence for a person to offer, promise or give money, gifts or anything of value to another person, or to request or receive the same from another person, as an inducement or reward for performing a function improperly or where the acceptance or receipt would itself be improper. Any form of gift, consideration, reward, or advantage can constitute a bribe – it need not be an offer of money.

This general law criminalises the offering of bribes to persons in both the public and private sector, i.e. it is not confined to the corruption of government officials.

A prosecutor does not need to show 'impropriety', only that it was the offender's intention to influence the public official in order to obtain or retain business or a business advantage.

The Bribery Act applies to any offences taking place in the UK, but also to offences taking place wholly outside the UK where they are committed by British citizens, UK residents or bodies incorporated in the UK, even in some cases where they are customary locally or permitted under local law.

The Act also introduces a new corporate offence which imposes criminal liability on any company incorporated in the UK or which carries on part of its business in the UK for failure to prevent bribery by anyone providing services for or on behalf of the company. This may include employees, agents, representatives, intermediaries, subsidiaries and joint ventures.

A company will not be guilty of the corporate offence if it can demonstrate that it has 'adequate procedures' in place to prevent such persons and entities from committing bribery. Consequently, it is imperative for the Company to have, and enact, an Anti-Bribery Policy.

Individuals who commit bribery can be subject to up to ten years' imprisonment and/or unlimited fines. Companies that commit an offence may also face significant fines, confiscation of the benefits of any tainted contract and debarment from tendering for public procurement work and other government contracts.

*In this policy, **third party** means any individual or organisation which any employee, worker or business associate comes into contact with during the course of their work for the Group whether at home or overseas, and includes actual or potential clients, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.*

1. AIMS

This policy is designed to ensure that, in all activities related to the business, employees have relevant guidance on the expected standards of conduct and that the Group takes a zero tolerance approach to any concerns relating to bribery and corruption.



2. STATEMENT OF POLICY

- 2.1. The Group recognises that within the industry and within the jurisdictions in which it operates, bribery and corruption exist.
- 2.2. The Group values its reputation and is committed to ensuring the highest standards of operation both at home and overseas. The Group is committed to acting professionally and lawfully in all its business dealings at home and overseas and has a zero-tolerance approach to bribery and corruption.
- 2.3. The conduct of the Group's employees, workers and business associates is critical to ensuring that such high standards are maintained and are seen to be maintained and the Group expects its employees, workers and business associates to actively promote similar values and behaviours.
- 2.4. Of particular relevance to this policy, the Group, its employees, workers and associates are governed by the Bribery Act 2010 in respect of their conduct both at home and overseas. The Group will abide by all applicable anti-bribery laws and the local laws in every country in which the Group carries out business.

3. SCOPE

- 3.1. This policy applies universally to any employee, worker or business associate of the Group at whatever level or grade, including but not limited to senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, trainees, advisors, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, business partners, and their respective directors, employees, agents and representatives, or any other person associated with us, wherever located (collectively referred to as **workers** in this policy).
- 3.2. As stated above in this policy, Bribery and Corruption are prohibited in all instances.

4. BRIBERY

Summarised as soliciting, receiving, offering, promising or giving a financial or other advantage (including but not limited to money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value) to/from a third party with the intention of inducing or rewarding conduct which would reasonably be considered to be improper.

Bribery can be a risk in many areas of the business. Below are the key areas you should be aware of in particular:

- 4.1. *Excessive gifts, entertainment and hospitality*: can be used to exert improper influence on decision makers. Gifts, entertainment and hospitality are acceptable provided they have been approved by the appropriate level of management.
- 4.2. *Facilitation payments*: are used by businesses or individuals to secure or expedite the performance of a routine or necessary action to which the payer has an entitlement as of right. The Group will not tolerate or excuse such payments being made.
- 4.3. *Reciprocal agreements*: or any other forms of improper exchange of favours are never acceptable unless they are legitimate business arrangements which are properly documented and approved by management. Improper payments to obtain new business retain existing business or secure any improper advantage should never be accepted or made.



5. CORRUPTION

The abuse of power for personal gain and may include, but is not limited to, Bribery.

A conviction for a bribery or corruption related offence would have severe reputational and/or financial consequences for the Group. Consequently, we will not tolerate bribery or corruption in any form. The Group prohibits the offering, giving, solicitation or the acceptance of any bribe or corrupt inducement, whether in cash or in any other form:

- 5.1. **To or from** any person or company wherever located, whether a public official or public body, or a private person or company;
- 5.2. **By** any individual employee, director, agent, consultant, contractor or other person or body acting on the Group's behalf;
- 5.3. **In order to gain** any commercial, contractual, or regulatory advantage for the Group in any way which is unethical or to gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.

6. OFFENCE

- 6.1. It is a criminal offence to offer, promise, give, request, or accept a bribe whether within the UK or overseas.
- 6.2. Individuals found guilty of bribery can be punished by up to ten years' imprisonment and/or a substantial fine.
- 6.3. As a business, the Group can face unlimited fines and irreparable reputational damage where its employees, workers or business associates are found guilty of bribery.
- 6.4. Any employee who breaches this policy will face disciplinary action, which may result in dismissal for gross misconduct.
- 6.5. A breach of this policy by any other worker or business associate is likely to result in the termination of any contractual relationship with the Group together with a report being made to the relevant authorities.
- 6.6. It is also important to note that both the offering and/or accepting of a bribe or corrupt conduct is equally blameworthy and both the donor and the recipient to a bribe are guilty of bribery.

7. SPECIFIC PROHIBITIONS/ RISK MANAGEMENT

- 7.1. Notwithstanding the general prohibition set out in paragraphs 4-6 above, and in the interests of clarity, the specific prohibitions set out in this paragraph 7 apply.
- 7.2. It is prohibited for any worker (or someone on their behalf) to:
 - 7.2.1. give, promise to give, or offer a payment, gift, hospitality or any other advantage with the intention of inducing the recipient to act improperly and to afford that worker or the Group a business advantage in return, or to reward a business advantage already given;
 - 7.2.2. give, promise to give, offer, request or accept any gift, hospitality or other advantage to/from a potential client or supplier (or any person with significant influence) during the course of any commercial negotiations or tender process involving that potential client or supplier;



- 7.2.3. give, promise to give, or offer, a payment, gift, hospitality or any other advantage to a government official, agent or representative to “facilitate” or expedite any matter or to otherwise carry out any duty improperly;
- 7.2.4. request or accept any payment, gift, hospitality or any other advantage from a third party that is known or suspected to be offered with the expectation that a business advantage will be afforded in return;
- 7.2.5. accept hospitality from a third party that appears unduly lavish or extravagant without the express prior approval of a Director; and
- 7.2.6. threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy.

8. GIFTS AND HOSPITALITY

Although gifts, entertainment and hospitality are each capable of constituting bribery, it is recognised that normal and accepted business practice can involve the giving of proportionate gifts, entertainment and hospitality from time to time.

Any payment or gift to a public official or other person to secure or accelerate the prompt or proper performance of a routine government procedure or process, otherwise known as a “facilitation payment”, is strictly prohibited. Facilitation payments are not commonly paid in the UK but they are common in some other jurisdictions.

You should never accept gifts or hospitality either directly, or through a third party (e.g. a family member or friend) that would, or might appear to, place you under any obligation to an individual or organisation, compromise your impartiality or otherwise be improper. You should declare any gift or hospitality received or to be received to your line manager. Examples include networking events, tickets for industry events and inexpensive gestures on special occasions.

In summary, it is not acceptable to accept a payment, gift or hospitality from a third party that you know or suspect is offered or provided with the expectation that it will obtain a business advantage for them.

This policy is not intended to prohibit absolutely the giving or receiving of legitimate and proportionate gifts, entertainment or hospitality, provided that they are appropriate, proportionate, solely for the purposes of establishing, maintaining or improving good business relationships and that they are approved and properly recorded.

It may not always be a simple matter to determine whether a proposed course of conduct would be in breach of this policy. In such instances, or in the case of any doubt whatsoever, workers should seek advice from their line manager in the first instance and/or a senior manager. If necessary, guidance should also be sought from a Director.

Accepting Gifts and Hospitality

Any gift, entertainment or hospitality, offered to a worker by a third party of a value (or estimated value) greater than £100 (or where cumulatively gifts would exceed a total value of £100 in any rolling three month period) should be reported to their line manager who will make a decision as to whether it/they may be accepted.



Offering Gifts and Hospitality

No Gifts should be offered to any third party by a worker without their express prior approval of their line manager.

Where the value (or estimated value) of any proposed and duly authorised gift exceeds £100 (or where cumulatively any gifts to a third party exceed a total of £100 in any one calendar month) express prior approval must be first obtained from a Director.

Any gifts should so far as possible or appropriate be limited to promotional items and should be proportionate to the reason for the gift.

Where a worker proposes to offer entertainment or hospitality to a third party of a value (or estimated value) of greater than £100 (or where cumulatively entertainment or hospitality would extend a total value of £100 in any one calendar month) express prior approval must first be obtained from their line manager or if the total value exceeds £500 from a Director.

9. DONATIONS

No donations of Group money (or on behalf of, in the name of, for the benefit of, or in association with the Group) should be made by a worker to any charity, political party or other organisation without the prior written approval of a Director and any such donations must be properly recorded by submission of an expenses form identifying the donation, the value, the recipient and the purpose for the donation.

10. HOW TO RAISE A CONCERN

- 10.1. Workers are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.
- 10.2. If a worker believes or suspects that a conflict has arisen with this policy or may arise in the future, they must notify their line manager as soon as possible. For example, if a client, potential client or official (or any other relevant person) offers a worker something to gain a business advantage with the Group or indicates that a gift or payment is required to secure their business.
- 10.3. If a worker is unsure whether a particular act constitutes Bribery, (perhaps they are unsure whether they are permitted to give or receive any gift or hospitality) they should raise it with their line manager immediately.
- 10.4. The Group will investigate thoroughly any actual or suspected breach of this policy, or the spirit of this policy.

11. REPORTING

The Group actively encourages workers to report any suspicions or concerns about bribery or corruption, which will be followed up rigorously. Any worker concerned about any form of malpractice, improper action, or wrongdoing by the Group, its employees or other stakeholders are strongly encouraged to report the matter to their Line Manager in the first instance.

12. RECORD-KEEPING

- 12.1. It is recognised that records can be exploited to conceal bribes or corrupt practices.



- 12.2. The Group therefore requires transparent record keeping of financial records by workers, ensuring that the appropriate internal controls are in place that will evidence the business reason for making payments to third parties.
- 12.3. A worker must declare and keep a written record of all hospitality or gifts given or received, which will be subject to managerial review.
- 12.4. A worker must submit all expenses claims relating to hospitality, gifts or payments to third parties to their line manager and in accordance with our expenses policy and record the reason for expenditure.
- 12.5. All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

13. PENALTY CLAUSE

- 13.1. A breach of any of the provisions of this Policy will constitute a disciplinary offence and will be dealt with in accordance with the Group's disciplinary procedure. Depending on the gravity of the offence, it may be treated as gross misconduct and could render the worker liable to summary dismissal.
- 13.2. As far as associated persons are concerned, a breach of this Policy could lead to the suspension or termination of any relevant contract, sub-contract or other agreement.

14. WHO IS RESPONSIBLE FOR THE POLICY?

- 14.1. The Board of Directors have responsibility for ensuring that those reporting to them are made aware of and understand this policy.

15. MONITORING AND REVIEW

- 15.1. The Board will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy, and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.
- 15.2. All workers are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.
- 15.3. Workers are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Board or such other person as may be specifically designated for the purpose from time to time.