

## COPPERCHASE LIMITED

### ANTI-BRIBERY AND CORRUPTION PROCEDURE

This procedure is designed to complement the Anti-Bribery and Corruption procedure. The purpose of the procedure is to:

- Mitigate bribery risks; and
- Prevent deliberate unethical conduct by Associated Persons

This procedure encompasses the following topics:

1. Due diligence
2. Risk assessment
3. Financial and commercial controls
4. Top level decision making
5. Review and monitoring
6. The Compliance Officer

#### **1. Due Diligence**

The organisation must apply due diligence procedures, taking a proportionate and risk based approach in respect of persons who perform services on its behalf.

The purpose is to ensure that the organisation is adequately informed on the measures it needs to take to prevent persons associated with the organisation from bribing on your behalf.

In low risk situations, you may decide that there is not much needed by way of due diligence. However, in the higher risk situations, as identified in the risk assessment, the following may be necessary:

1. Direct interrogative enquiries
2. Indirect investigations
3. General research on proposed associated persons
4. Continued monitoring of associated persons

## **2. Risk Assessment**

The organisation must assess the nature and extent of its exposure to potential external and internal risks of bribery on its behalf by persons associated with it. The assessment should be periodic, informed and documented and always implemented before a new project is entered into.

Risk assessment procedures that enable the organisation accurately to identify and prioritise the risks it faces will involve some or all of the following steps:

1. Oversight of the risk assessment by top level management
2. Appropriate resourcing
3. Identification of external and internal information sources that enable a risk to be assessed
4. Due diligence enquiries (see 1 above)
5. Recording of the risk assessment and its conclusions

### Common external risks:

1. Country risk: See corruption perception index
2. Sectorial risk: High risk sectors include the extractive industries and large scale infrastructure sector
3. Transaction risk: high risk transactions include charitable or political donations, licences or permits and public procurement
4. Business opportunity risk: including high value projects and multi contractor projects, projects not undertaken at market value or with no clear objective
5. Business partnership risk: the use of intermediaries in transactions with foreign public officials, consortia or joint ventures, relationships with politically exposed persons.

### Common internal risks:

1. Deficiencies in employee training, skills and knowledge
2. Bonus culture that rewards excessive risk taking
3. Lack of clarity in the organisation's hospitality or donation policy
4. Lack of clear financial controls
5. Lack of a clear anti-bribery message from the top

## **3. Financial and commercial controls**

The organisation must have in place adequate booking, auditing and expenses procedures. All transactions and expenses undertaken by associated persons on behalf of the organisation must be recorded in an open and transparent way.

## **4. Top-level commitment**

The board of directors will foster a culture within the organisation where bribery is unacceptable by:

1. Internally and externally communicating the organisation's anti bribery stance; and
2. Being involved in developing anti bribery procedures; and
3. Being involved in key decision making relating to bribery risk; and
4. By appointing a director as Compliance Officer for the purposes of countering bribery; and
5. Endorsement of all bribery prevention related publications; and
6. Providing training for all associated persons who operate in the high risk areas of the business

## **5. Review and monitoring**

The organisation must monitor and review its procedures designed to prevent bribery by persons associated with it and make improvements where necessary. This may be to both evaluate the effectiveness of such procedures or may also be in response to, for example, governmental changes in countries in which you operate and or an incident of bribery reported in the press.

Review mechanisms might include the following:

1. Internal financial controls to detect and investigate bribery
2. Staff surveys, questionnaires and feedback from training
3. Feedback and suggestions invited from other associated persons, especially those operating abroad.
4. Formal periodic reviews of reports prepared by the Compliance Officer by the board
5. Review of information on other organisation's practices such as trade bodies or regulators
6. Consider external verification of effectiveness of anti bribery procedures for appropriate or available (such as sector associations or multilateral bodies).

## **6. The Compliance Officer**

The compliance officer will be a director of the company. They will be responsible for reporting to the board on a quarterly basis on all matters relating to the prevention of bribery by associated persons.

The compliance officer will take day to day responsibility for leading the anti bribery policy within the organisation, but all directors will remain committed and involved. The compliance officer will be the one to whom reports can be made as set out in the Anti Bribery and corruption Policy.