



**ANTI-CORRUPTION AND ANTI-BRIBERY
POLICY**



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1 POLICY STATEMENT

This policy statement is the statement of Brazilian Nickel PLC and its subsidiaries (all defined terms can be found in Schedule 1).

BRN's policy is to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting honestly, fairly and with integrity in all our business dealings and relationships wherever we operate and **implementing and enforcing effective systems to counter the risk of bribery and corruption.**

We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we intend to comply with the UK Bribery Act, in respect of our conduct both at home and abroad, and to procure similar conduct of representatives of all parties connected with BRN to uphold the equivalent laws of the countries in which they operate.

This policy sets out our responsibilities, as well as the responsibilities of those working for us, in observing and upholding our position on bribery. It also provides information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.

Bribery and corruption are punishable for individuals including terms of imprisonment. If we are found to have taken part in corruption, we could be exposed to civil and criminal penalties, including an unlimited fine, be excluded from tendering for public contracts, and face damage to our reputation. We therefore take our legal responsibilities very seriously.

We have identified that the following may be **relevant** risks for our business:

Company representative(s) being in receipt of bribes. This might arise from Company suppliers and/or service providers offering bribes to employees in order to secure contracts or favourable terms in such contracts. This would be driven by market competition, especially if such markets are unbalanced in terms of supply and demand for equipment / services and supplies, as is often the case at remote project sites where a BRN subsidiary may be one of only a very limited number of buyers in a market with many local suppliers. Moreover, employees recruited locally may be perceived as potential "easy" targets for bribery due to local family or other connections and/or their potentially improved (financial) status due to employment, risk to which may be threatened by a bribe offeror. In addition, bribery can often be seen as normal in certain local business environments.

Another source of bribery and corruption risk exists if an employee or Company representative offers a bribe or bribes to others. This maybe to a government representative with the aim, say, of expediting legal procedures (permits, access to information, etc), or to service/goods suppliers to expedite supply or to get a better deal. Again, if such practices are common in the local business environment the risk is heightened. Contributors to this risk may include a false sense of urgency to complete a specific action, poor planning / underestimation of time to complete legal procedures, and/or misinterpretation of Company needs.

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To address those risks BRN has implemented this Anti-Bribery and Anti-Corruption Policy and it has been incorporated into the local Human Resource Management System in Brazil. Furthermore, as standard practice, anti-bribery clauses are included in all contracts and BRN's request for quotation and the procurement and payments system makes a clear separation between requests for goods and services, and payments for the same, with payments only made against bone-fide invoices by bank transfers and never in cash.

In this policy, **third party** means any individual or organisation that you (as BRN's employee or representative) come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

2 WHO IS COVERED BY THE POLICY?

This policy applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as **representatives** in this policy).

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3 WHAT IS BRIBERY?

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

For example, if you attempt to arrange for BRN or PNM to pay an additional payment to a foreign official to speed up an administrative process, the offence of bribing a foreign Public Official has been committed as soon as the offer is made. This is because the offer is made to gain a business advantage for us. The Company may also be found to have committed an offence.

4 GENERAL PROHIBITIONS AND REQUIREMENTS

You should not engage in bribery of any type and should comply with all aspects of this Policy, including the specific prohibitions and guidelines set out here as well as all Applicable Anti-Corruption Laws.

4.1 Payments to Public Officials

You should not directly, or indirectly through another person or entity, give, offer or promise any Financial or Other Advantage to a Public Official or to a Family Member of a Public Official knowing or intending that in exchange for some or all of the Financial or Other Advantage the Public Official will use his or her influence or office to assist the Company in obtaining or retaining business, directing business to another person or entity or obtaining any other business advantage.

You should take extra care when interacting with Public Officials and their Family Members to avoid even an appearance of impropriety.

4.2 Payments to Private Parties

In connection with Company business, you should not directly, or indirectly through another person or entity, give, offer or promise any Financial or Other Advantage to any private party intending to induce or reward a breach of trust, impartiality or good faith.

4.3 Receiving Improper Payments

In connection with Company business, you should not directly, or indirectly through another person or entity, request, agree to receive or accept a Financial or Other Advantage intending to induce or reward a breach of trust, impartiality or good faith.

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5 GIFTS AND HOSPITALITY

The giving or receipt of gifts is not prohibited, if the following requirements are met:

- (a) it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- (b) it complies with local law;
- (c) it is given in the Company's name, not in your name;
- (d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- (e) it is appropriate in the circumstances. For example, in the UK it is customary for small gifts to be given at Christmas time;
- (f) taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
- (g) it is given openly, not secretly; and
- (h) gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Compliance Manager

We appreciate that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties.

You may host meals and receptions for clients and prospective clients of the Company and their respective representatives, provided:

- appropriate workers are present for the meal and/or reception;
- the meal or reception is reasonable in amount and not extravagant;
- the venue is not inappropriate or disrespectful; and
- the meal or reception is directly related to the promotion or explanation of the Company's services or, with respect to meals or receptions for Public Officials, to the execution or performance of a contract with a government or agency thereof.

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If the Company needs to provide travel to third-parties, say to a remote project site, its employees and any other representatives should seek the least expensive airfare appropriate to the circumstances with the minimal number of stops possible. Business class airfare should generally be provided only in accordance with Company policies. First-class airfare should not be provided except as approved under the Company’s policy on short-notice, emergency travel and evacuation travel. Local transportation should also be reasonable in amount and not extravagant. Reasonable, not extravagant, business class lodging may be provided.

You may host clients and prospective clients of the Company and their respective representatives at sporting and cultural events such as concerts or other live performances, if approved in advance by management and provided:

- if Public Officials are being entertained, appropriate workers are present for the entertainment;
- the total per person value of the entertainment is reasonable in amount and not extravagant;
- the event is not inappropriate or disrespectful; and
- If Public Officials are being entertained, the entertainment is directly related to the promotion or explanation of the Company’s services or to the execution or performance of a contract with a government or agency thereof.

You shall not provide gifts, entertainment, meals, travel or accommodations for any Family Members or guests of any Public Official unless approved in advance in writing by the Compliance Manager.

6 WHAT IS NOT ACCEPTABLE?

It is not acceptable for you (or someone on your behalf) to:

- (a) 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;
- (b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure;
- (c) accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- (d) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- (e) threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or

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(f) engage in any activity that might lead to a breach of this policy.

7 FACILITATION PAYMENTS AND KICKBACKS

A facilitation payment (or “grease payment”) is a modest payment made directly or indirectly to a Public Official to prompt the Public Official to perform or expedite a routine, non-discretionary act that the Public Official is otherwise required to perform as part of his or her ordinary duties. Examples of facilitation payments include payments to obtain permits, licenses or visas, to obtain police protection or to load and unload cargo.

Kickbacks are typically payments made in return for a business favour or advantage. You must avoid any representation, behaviour or activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

You shall not make or accept facilitation payments or “kickbacks” of any kind except in exigent circumstances (e.g., real and imminent threats to health or safety).

If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the Compliance Manager.

8 DONATIONS

No donation may be offered or made without the prior approval of the Compliance Manager.

8.1 Political Contributions

BRN does not make contributions to political parties.

Contributions to political parties or candidates by workers, acting solely in their personal capacities, may not involve the use of any Company funds or office space and must be made in accordance with all applicable laws and regulations.

8.2 Charitable Donations

BRN may only make charitable donations that are legal and ethical under local laws and practices.

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9 YOUR RESPONSIBILITIES

You must ensure that you read, understand and comply with this policy.

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.

Any transaction, no matter how seemingly insignificant, that might give rise to a violation of this Policy and/or any Applicable Anti-Corruption Laws must be reported promptly to the Compliance Manager. For example, if a client or potential client offers you something to gain a business advantage with us, or indicates to you that a gift or payment is required to secure their business. Further “red flags” that may indicate bribery or corruption are set out in Schedule 2.

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We reserve our right to terminate our contractual relationship with other workers if they breach this policy.

10 MAINTENANCE OF ACCURATE BOOKS & RECORDS

We must keep financial records and have appropriate internal controls in place which will support the business reason for making payments to third parties. We shall make and keep books, records and accounts which, in reasonable detail, accurately and fairly reflect any transactions involving expenditures on our behalf and the reasons or justifications for such expenditures, and all contracts, invoices and receipts relating to the purchase of goods and services. The making or inducement of others to make misleading or false entries that conceal the source or nature of expenditures or receipts are corrupt acts.

You must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.

You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the Company’s Expenses Policy and specifically record the reason for the expenditure.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with sufficient accuracy and completeness. No accounts must be kept “off-book” to facilitate or conceal improper payments or benefits.

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11 HOW TO RAISE A CONCERN

You have a duty and are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. Any uncertainties as whether a particular act constitutes bribery or corruption, or any other queries, should be raised with the Compliance Manager. Concerns should be reported by following the procedure set out in our whistle-blowing policy.

12 WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION

If you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity it is important that you notify the Compliance Manager as soon as possible.

13 PROTECTION

Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place, in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Compliance Manager immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our grievance procedure which can be found in the employee handbook and in hard copy in all our offices and sites.

13.1 WHISTLE BLOWING

The Company will utilise an independent, specialist secure channel for receiving and handling complaints. This will be operated by an independent company with no conflicts of interest in a fully transparent way.

Complainants can identify themselves or remain anonymous.

The independent whistle blowing channel will capture all identified or anonymous reports, through both the Company's website or by telephone.

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All complaints will be logged and analysed by the independent company to determine the veracity and relevance of complaints. Reports are then made available to the Company with analysis of results and recommendations for actions.

All complaints are logged in a Case Management Platform from where the Company can assess each case and take any necessary action prior to closing the case. All interaction with the complainant is through the independent company via this platform.

14 TRAINING AND COMMUNICATION

Workers shall receive training on this Policy as part of their induction process. All existing and new workers will receive relevant training on how to implement and adhere to this Policy.

Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter. This is included in all requests for quotation/proposals of work and in all contracts.

15 WHO IS RESPONSIBLE FOR THE POLICY?

The board of directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

The Compliance Manager has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

16 MONITORING AND REVIEW

The BRN Board of Directors will periodically monitor the implementation and operation of this policy, 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 periodic audit to provide assurance that they are effective in countering bribery and corruption.

All workers are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

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 Compliance Manager.

All Company workers and employees will be expected to comply with this Policy as currently in force and as

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may be amended from time to time.

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SCHEDULE 1

DEFINITIONS

“**Applicable Anti-Corruption Laws**” means all anti-corruption laws and regulations to which you are subject, including the FCPA and the Bribery Act.

“**Bribery Act**” means the UK Bribery Act 2010.

“**BRN**” or “**Company**” or “**us**” or “**we**” means Brazilian Nickel PLC and each of its subsidiaries and subsidiary undertakings (for the avoidance of doubt in any jurisdiction).

“**Family Member**” means a parent, spouse, spousal equivalent, child, sibling, uncle or aunt.

“**FCPA**” means the US Foreign Corrupt Practices Act.

“**Financial or Other Advantage**” means any offer, promise, or payment of any money, gift, service, status, right, interest or any other thing to which economic value could attach, including hospitality and entertainment.

“**PNM**” means Piauí Niquel Metais S.A., a subsidiary of Brazilian Nickel PLC.

“**Public Official**” means (a) an officer or employee of a government or any department, agency or instrumentality thereof, an officer or employee of any public enterprise, including any person who holds a legislative, administrative or judicial position of any kind whether appointed or elected, an officer or employee of a public international organization (e.g., the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations) or any person acting in an official capacity or exercising a public function for or on behalf of any such government or department, agency, instrumentality or public enterprise or for or on behalf of any such public international organization; or (b) any political party, party official, or candidate for political office; or (c) officers, employees, representatives or agents of any entity owned or controlled directly or indirectly by a government, including a sovereign wealth fund or any entity owned by a sovereign wealth fund.

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SCHEDULE 2

POTENTIAL RISK SCENARIOS: “RED FLAGS”

The following is a list of possible red flags that may arise during the course of you working for us and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for us, you must report them promptly using the procedure set out in the whistle-blowing policy:

- (a) you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- (b) you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a “special relationship” with foreign government officials;
- (c) a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;
- (d) a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- (e) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (f) a third party requests an unexpected additional fee or commission to “facilitate” a service;
- (g) a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (h) a third party requests that a payment is made to “overlook” potential legal violations;
- (i) a third party requests that you provide employment or some other advantage to a friend or relative;
- (j) you receive an invoice from a third party that appears to be non-standard or customised;
- (k) a third party insists on the use of side letters or refuses to put terms agreed in writing;
- (l) you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- (m) a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us; or
- (n) you are offered an unusually generous gift or offered lavish hospitality by a third party.

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