

anti-corruption policy of the elemental holding capital group

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INTRODUCTION

In the **Elemental Holding Capital Group** (hereinafter also referred to as the "**Organization**"), in connection with the general rules entered under the Code of Ethics, this **Anti-Corruption Policy** creates and implements standards and rules regarding activities that may lead to corrupt practices, describes how we should interpret specific business situations, gift accepting process and guidelines on the principles of due conduct. This Anti-Corruption Policy applies to all companies from the Organization, with such preservation that some modifications in specific legal jurisdictions are allowed, in particular, if the locally applicable laws contain stricter rules of conduct than those set out in this Anti-Corruption Policy.

This **Anti-Corruption Policy together with the Annexes** (hereinafter "**Policy**") is a set of principles binding in our Organization connected with corruption risk management in various areas of activity, both in internal and external relations. It is communicated to employees, contractors, and all entities from the business and social environment of the Elemental Holding Capital Group. As an Organization, we strive to promote and support initiatives that help understand and apply the principles of this Code of Ethics in everyday work. The Anti-Corruption Policy should be read and perceived along with the Code of Ethics and other procedures adopted in the Organization, and any doubts regarding its application should be directed to the Compliance Department. According to generally accepted principles applicable in the Elemental Holding Capital Group, all regulations, including this Policy, are subject to mandatory review at least every two years and upon the entry into force of significant amendments to anti-corruption laws or if a revision is needed as a result of a change in or introduction of another specific internal policy/procedure in the Elemental Holding Capital Group, or in the event of any other important reason.

The following document templates are annexed to this Policy:

- a) **Annex No. 1 – Template of Register of Received Benefits**
- b) **Annex No. 2 – Template of Register of Given Benefits**
- c) **Annex No. 3 – Central Register of Donations and Sponsorships**

DEFINITIONS

§ 1

Whenever this Policy refers to:

1. **Associate** – it is understood as a person providing services to the Company based on any civil law contract, including persons representing the Company based on granted powers of attorney;
2. **Bribery Act** – it is understood as the anti-corruption law in force in the United Kingdom;
3. **Company** – it is understood as a commercial law company belonging to the Elemental Holding Capital Group;
4. **Compliance Department** – it is understood as the internal Compliance department of a given Company and if there is no such department, the Compliance department of another Company acting on behalf of the given Company;
5. **Employee** – it is understood as a natural person employed by the Company under an employment contract;
6. **FCPA** – it is understood as the Foreign Corrupt Practices Act, i.e. the American legal act governing the rules and procedures to prevent and detect corruption in the Company;
7. **Legal Department** – it is understood as the internal legal department of a given Company and if there is no such department, the legal department of another Company acting on behalf of the given Company;
8. **Public Official** – it is understood as any person performing legislative, executive, administrative or judicial duties, at any level, whether for remuneration or without remuneration, or any other person performing a public function in an agency, a public international organization, or an economic entity in which a governmental authority has a beneficial interest and/or over which such a governmental authority may exercise direct or indirect influence, as well as a political party or its member, or a candidate to a public office, as well as family members of public officials;
9. **Top Management** – it is understood as the Management Board of the Company;
10. **Undue advantage** – it is understood as benefits of tangible or intangible nature such as preferential treatment, conclusion of a commercial contract,

disclosure of confidential information, cancellation of a penalty imposed in public complaint proceedings, donations, gifts, awards, invitations.

GENERAL PROVISIONS

§ 2

1. The purpose of this Policy is to detect and prevent corruption cases, including to describe and explain the illegal nature of various types of corrupt practices, and methods of acting in certain business situations.
2. Elemental Holding as a mature Organization encourages and promotes attitudes of honest conduct in all forms of its activity. Such a way of acting is an expression of social responsibility, promotes the competitiveness of Companies in the market, ensures long-term and sustainable development of its Employees, Associates, and business partners, and contributes to the good reputation of the Organization in the society.
3. The Policy is made available to all Employees and members of the Top Management through internal communication channels adopted in a given Company, and to Associates at the time of signing an agreement regulating the provision of services to the Company. Each Employee, Associate, and member of the Top Management must read it, understand it, and apply it in their daily duties. Compliance with its provisions is a prerequisite for employment, establishing and maintaining cooperation, and more importantly, no one is more equal than others – the Policy applies to everyone regardless of their position.
4. Each of the Companies should ensure proper communication and promotion of the Policy within its internal structures, especially through training initiatives, enabling proper understanding and use of the principles of the Policy in everyday work.
5. Any violations of the provisions set out in the Policy by Employees, Associates, or members of the Top Management may lead to disciplinary sanctions, resulting in contract termination under the Company's internal rules. In addition, an Employee, Associate, or member of the Top Management may be subject to further consequences in the form of damages enforced in civil proceedings, fines, or other penalties provided for in the relevant criminal law provisions applicable to a particular case.

6. The Policy is also addressed to all third parties, i.e. customers, contractors, subcontractors, and other business partners cooperating in any field with the Companies belonging to Organization. Acceptance of and compliance with the principles resulting from this Policy is an absolute requirement for establishing and continuing cooperation, and its violation results in the automatic termination of business relations and prohibition of establishing cooperation with such a partner by the Companies.
7. The Anti-Corruption Policy, despite referring to many areas and business situations in which corrupt practice may arise, does not include all business situations that may happen in everyday business. Therefore, it is a signpost for all addressees on how to proceed and what to pay attention to. Any doubts should be solved by analogy or directed to the Compliance Department.
8. This Policy replaces all previous documents/procedures relating to anti-corruption issues and is adopted by each of the Companies as an internally binding legal act, taking into account modifications resulting from law applicable in a jurisdiction in which the Company has its registered office.
9. The Compliance Department is responsible for the implementation of this Policy, its updating, and training in the scope of the rules resulting from it.
10. The definitions contained in the Policy have the meanings ascribed to them, regardless of whether they are written with an uppercase or lowercase letter.
11. This Policy is kept in both electronic and paper versions.

BASIC PRINCIPLES

§ 3

1. Our Organization adopts **the principle of zero tolerance for corrupt activities**.
2. This Policy indicates the basic principles facilitating the identification of corrupt activities, which should be considered in the context of the assessment of a particular situation, gift, or event.
3. Our Organization has prepared a system based on basic principles, which should be followed by every Employee, Associate, and entity cooperating with any of the Companies. Thus, we evaluate all business relationships according to the following steps:

STEP	QUESTION	ANSWER YES	ANSWER NO
1	<i>Does the activity comply with the law and internal procedures/policies in force in the Organization?</i>		
2	<i>Is the activity connected with the business goal pursued by the Company or is it a justified, transparent activity taken in the interest of the Company?</i>		
3	<i>Will I or my close person receive an undue advantage as a result of this action?</i>		
4	<i>Does the value of the event or gift have an adequate and reasonable value?</i>		
5	<i>Are the actions I take relevant to the occasion, circumstances , or the position of the person to whom it is addressed?</i>		
6	<i>Am I convinced that any third party would not perceive the event as bribery or other inappropriate conduct?</i>		
7	<i>Am I sure that the recipient does not receive gratuities too often, even if they are justified, and thus it starts to become a permanent obligation?</i>		
8	<i>Can the event be properly recorded in books and registers and will no one have a problem with it?</i>		

4. If proper answers are given to all the questions above, this means that the activity can be taken and the offered gift/invitation may be accepted as not a form of corruption. However, the circumstances presented are not a closed list, so other issues may arise which may lead to the activity being considered a corrupt practice. Any doubts in this respect should be directed to the Compliance Department.

PROHIBITED CORRUPT PRACTICES

§ 4

1. Corrupt practices are any kind of requiring, offering, giving, or accepting, directly or indirectly, a bribe or any other undue advantage or promise thereof that distorts the proper performance of any duty or results in specific behavior of the person receiving the bribe, undue advantage or promise thereof.
2. Even the promise of undue advantage, even if it has not been fulfilled in the end, is considered as a manifestation of corruption. In addition, in the context of the existence of corruption, the moment when the undue advantage is offered is irrelevant, i.e. it may occur before or after a corruption event, as well as whether the undue advantage is provided directly or indirectly through an external intermediary.
3. Corrupt practices are banned in both the public and private sectors.
4. Typical corrupt practices include:

a) Paid protection

Directly or indirectly offering or giving undue advantage to any person in exchange for that person misusing his or her actual or potential influence or knowing people in the institution to handle a given matter.

Example: A company participates in a tender. During the procedure, a third party, relying on people known to them in the tender committee, offers assistance in winning the tender in exchange for obtaining an undue advantage.

b) Extortion

*Obtaining undue advantage as a result of the use of violence (or its threat), direct or indirect coercion. Occurrence of a threat to the life, health, or safety of the Employee or Associate is an exceptional situation.
However, such incident, even if justified, must be reported immediately by the internal whistleblowing procedure.*

Example: A public official seeks to obtain a large amount of money in exchange for a favorable administrative decision.

c) Facilitation payments

Payment of even a small amount of money to a public official to expedite the performance of an administrative act that falls within the scope of duties of the public official concerned.

Example: To speed up obtaining a passport for the member of the Management Board for an important business trip, the company offers an additional amount of PLN 200 to the public official dealing with the case for faster approval of submitted documents.

d) Corruption (Bribery)

Offering, giving money, gifts, loans, remuneration, rewards, or other undue benefits to others or accepting them to induce or refrain from acting in a manner that violates the law and the principles of fair conduct. Types: passive bribery – accepting undue benefits, active bribery – giving undue benefits.

Example: An entrepreneur offers a tax officer a certain large amount of cash in exchange for disregarding negative facts established during the inspection.

e) Influence trafficking

The illegal practice consisting in giving or promising to give an intermediary an advantage in exchange for intermediation in settling a matter in a state, local government, or another unit disposing of public funds. In general, it is similar to bribery, except that the purpose of the perpetrator's action is to pay for the intermediary, and not necessarily for the person who is taking the decision.

Example: An entrepreneur who has received a penal fiscal fine hands a bottle of expensive alcohol to a friend, in exchange for which he is to influence his colleague to cancel or significantly reduce the fine imposed.

f) Falsification of records and books

Intentionally making entries in the books of account of the enterprise to hide any form of corruption.

Example: At the request of a long-time colleague from the company, the chief accountant posts an expensive bottle of alcohol purchased for a client with whom the colleague of the chief accountant wants to sign a large commercial contract, contrary to the accounting standards.

g) Nepotism and cronyism

Nepotism is the abuse of one's position by favoring their relatives. Cronyism, on the other hand, is about favoring people because of their social connections. In both cases, the protégés most often do not have relevant abilities or qualifications.

Example: Granting a promotion or pay raise to a family member or a friend despite not achieving adequate performance at work and thus omitting other employees who properly fulfill their duties.

h) Legalizing income from corrupt activities

Carrying out various physical, legal, and financial activities aimed at creating the greatest possible distance between proceeds from a crime and their source to make them seem legal. These may be actions violating the applicable regulations or inconsistent with the internal standards in force in a given company, but even completely legal operations aimed at authenticating the funds derived from crime.

Example: Money laundering practices.

AREAS AND SITUATIONS AT RISK OF CORRUPTION AND PROCEDURE TO FOLLOW

§ 5

1. **Gifts.**

- a) As a rule in our business, we advise against handing over gifts.
- b) Demanding a gift from a third party is strictly prohibited.
- c) We accept receiving and offering Christmas gifts as part of our culture and custom, although they should have a symbolic value, i.e. not exceeding EUR 100 (or an equivalent of this amount). A gift with a value higher than EUR 100 received or given is subject to entry in the **Register of Received Benefits – Annex No. 1 to the Policy** or the **Register of Given Benefits – Annex No. 2 to the Policy**. These Records shall be verified by an internal audit.
- d) Gifts cannot be in the form of money (or its equivalent) and can be given only directly to a business partner, not to his or her relatives.
- e) Each of the Companies is obliged to appoint a person within its structures, who will be responsible for maintaining the Register of Received Benefits and the Register of Given Benefits. Companies are obliged to inform the Compliance Department about the persons keeping such registers.
- f) Each Employee receiving occasional gifts from business partners is obliged to report them to his or her line manager. The information should specify the name of the person giving the benefit, the type of benefit, the exact or indicative value of the benefit, and the date of its obtaining. Where the gift exceeds EUR 100 (or the equivalent) or several gifts the total value of which exceeds EUR 100 have been exchanged between the same persons at short intervals (over at least one quarter or less), the line manager shall enter such a gift to the Register of Received Benefits.

2. **Handling matters with public authorities.**

- a) It is forbidden to offer, make or promise to pay money, give valuables to any public official in order to, inter alia, influence their decisions, obtain an undue advantage, or encourage them to use their influence.
- b) One should know details of the administrative procedure in which they participate to properly plan how long it may last and, in addition, be aware of costs provided for by law (including fees, duties, and taxes).
- c) In the case of any signs suggesting that a bribe is being demanded, one should categorically and explicitly refuse, and any subsequent meetings should be held with the participation of an additional person (e.g. another employee).
- d) Remember that administrative proceedings are in principle two-instance and any doubts or reservations can be directed to the supervisory authority.

3. **Entertainment events, conferences.**

- a) Employees and Associates, in consultation with their line managers, take part in events such as industry conferences and business meetings, including foreign business trips, and the costs of such events are covered by the Company or another company from the Elemental Holding Capital Group.
- b) Invitations to such events by people from outside the organization may be conducive to building mutual relations with business partners and are acceptable, as long as they are a standard procedure adopted in a given culture.
- c) If an invitation to such events is not a standard procedure adopted in a given culture, in particular, if it is of a significant value, consent of the line manager is required before accepting invitation to such an event and a relevant entry must be made in the Register of Received Benefits.
- d) If the Company organizes an entertainment event of significant value, it must be entered in the Register of Given Benefits and it is recommended that an employee of the Company who in fact invited other to this event should participate in such event.

- e) In the case of each invitation, internal rules in force in the company of our contractor should be taken into account.

4. **Meals.**

- a) Invitations to a lunch or business dinner are an accepted and acceptable form of establishing partnership relations with contractors. It is important that this type of invitation serve to discuss only business matters, and not to be a private meeting.
- b) The value may not exceed standard costs, i.e. it is forbidden to order expensive alcohol or other unusual things. Any deviations must be business-justified and require the prior consent of the line manager.
- c) It is unacceptable to invite a representative of a competing company to inquire them about potential directions of development, investments, counteroffers, etc.

5. **Travels and accommodation.**

- a) Business travelling is permitted, including inviting representatives of our contractor to participate, e.g. to show our investments in a specific place. Such a travel and its duration should, however, be reasonable and justified in business terms.
- b) Due to the business nature of the travel, family members of our contractor cannot participate in it.
- c) Expenses should be reasonable, depending on the destination, and should not include any additional benefits (e.g. optional excursions, gifts, etc.).

6. **Donations and funding for political purposes.**

- a) Our Organization, as part of corporate social responsibility, supports and engages in activities for the benefit of local communities and important initiatives for the benefit of the society. Therefore, we are aware of the importance of supporting goals and people through donations and exerting a positive impact on the society as an Organization.
- b) Donations must meet legal and tax requirements.

- c) Before donating, the purpose and entity receiving the donation should be carefully verified (it is recommended to conduct at least a general *due diligence* of the recipient). Donations may be made only to organizations that operate according to the law, do not raise ethical and moral controversies, and are consistent with the current social responsibility policy in force in our Capital Group.
- d) Where we have a close relationship with the recipient that may give rise to a conflict of interest, such circumstances should be disclosed and explained.
- e) We never make transfers to the recipient's private account and any amounts provided by us must be reliably and correctly recorded in the books of account of the respective Company.
- f) If the entity receiving the donation evades issuing a receipt for the amount received or otherwise tries to hide this fact, this should be carefully verified and explained, and if no adequate explanation is provided, the donation should be waived.
- g) A donation exceeding EUR 1,000 requires approval of two members of the Top Management of the Company, regardless of the formal rules of representation. In addition, on the occasion of the next audit, the documentation related to it must be clearly and separately submitted for verification by the audit firm.
- h) A donation may not be a condition for obtaining or renewing a contract or providing the Company with other business advantages.
- i) Our Organization prohibits financing political campaigns. Any involvement or subsidization of political goals by Employees and Associates may take place only on their private behalf, without connecting this with the Company.
- j) Particular caution should be taken when offering a donation to an entity based in countries with a high risk of corruption.¹
- k) Donations made by the Group companies should be reported to the Central Register of Donations and Sponsorship maintained by the Communication

¹ Information on the website: transparency.org/en/cpi/2021 – a study carried out by *Transparency International*, i.e. an international organization working for transparency and integrity in public and economic life.

Department of the Elemental Holding Capital Group. The template of the register is **attached as Annex No. 3** to the Policy.

7. Concluding agreements with third parties.

- a) We are aware that every form of business activity is related to establishing cooperation with customers, contractors, suppliers, and other business partners. Such cooperation is a prerequisite for the development of the undertaking. Having said so, it is all the more important that relations with entities be based on fair principles of cooperation and eliminate any possible forms of corruption.
- b) Companies with which we establish cooperation should have a reliable and documented history of activity in a given industry, services they offer should be legal and such entity should not be recommended by any public official.
- c) A cooperation agreement should be concluded at least in writing or in a documentary form (unless the law requires a special form) and contain relevant anti-corruption clauses, impose a similar requirement on a potential subcontractor of our contractor, as well as should enable the Company to carry out inspection/audit in the whole supply chain of the contractor in terms of compliance of the contractor and its subcontractors with the provisions of this Anti-Corruption Policy. In addition, the agreement should provide for its immediate termination and/or the possibility of imposing a contractual penalty in the event of suspicious corrupt practices at the contractor identified as a result of, inter alia, an inspection/audit.
- d) Payments under the agreement should be made to the contractor's verified account. As a rule, **we do not make payments in cash** and their value should reasonably reflect the value of the services/goods received and correspond to the terms contained in the agreement.
- e) We try to avoid establishing relationships with entities with an unclear internal structure that do not reveal the identity of their beneficial owners,

promise extremely fast results, that have bad references from external companies, or have been accused of corruption practices.

- f) As a rule, we cooperate with business entities. Purchase of goods from natural persons are properly recorded according to applicable regulations and the identity of natural persons is confirmed and verified. We do sell goods to natural persons.
- g) It is forbidden to cooperate with companies that do not have a registered office, personnel, or qualifications to perform the required services or if payment for their services/goods requires a non-accounting account, or if they receive remuneration from *offshore countries*, unless they reliably document the source of obtaining such income and the entire payment process.
- h) A business partner cannot be chosen because of their commercial or family relations, or acquaintance with public officials.
- i) Any accounting document issued in connection with the cooperation with third parties must be properly described; any unclear wording and descriptions on accounting documents should be clarified and corrected according to facts.
- j) New suppliers and business partners must be verified each time.
- k) All contacts with business partners should take place via e-mail correspondence, using business phones, and direct business meetings should take place with the knowledge and consent of the line manager. **We do not use private e-mail addresses or phones for business contacts!**
- l) One should take particular care when establishing cooperation with an entity based in countries with a high risk of corruption.

8. Pursuit of business goals through intermediaries.

- a) Running a business, including entering into contracts, often requires involvement of intermediaries. Contracts with such entities should be concluded at least in writing, as well as should contain clauses prohibiting

the assignment of rights and obligations from the contract onto other entities.

- b) A relevant statement should be obtained from the intermediary that the amount paid to them as remuneration (or part of it) will not be transferred to the target counterparty with whom the Company intends to conclude a contract.
- c) In addition, it is also unacceptable that the remuneration received from the Company is directly or indirectly transferred through an intermediary to persons from the Top Management or managing the relevant units in a given Company, or to another entity from the Organization.
- d) The intermediary should inform on an ongoing basis of any changes in the ownership structure that may affect their ability to perform specific contractual activities.

9. Sponsoring and organization of marketing events.

- a) Building a brand, strengthening relations with business partners, increasing the attractiveness of our Capital Group on the labor market also by increasing the positive impact on the local community, sometimes required organization of sports or cultural events. Such events should be consistent with the Group's strategy and, due to the scale of such events, be approved by the Top Management.
- b) Such an event should be consistent with the principles adopted in the Policy and generate benefits for stakeholders.
- c) All sponsorship activities undertaken by the Group companies should be entered in the Register of Donations and Sponsorship.

10. Rules of conduct on the occasion of mergers and acquisitions.

- a) Taking over third parties and incorporating them into the structures of our Capital Group should be preceded by a thorough examination of such an entity in terms of its possible involvement in corrupt activities.

- b) All Employees and Associates involved in M&A projects should be aware of the high risk and our liability as a legal successor in the event of taking over an entity with corruption charges.
- c) Investment agreements relating to M&A projects should contain relevant anti-corruption clauses and appropriate mechanisms to hold responsible people liable in the event of disclosure of corrupt circumstances concerning the acquired entities.
- d) Particular care should be exercised in the case of mergers and acquisitions of entities based in countries with a high risk of corruption.

11. Conflict of interest.

- a) Mutual connections, as well as family and social relations, may result in the fact that some private interests of the Employee, Associate, or their relatives may actually or potentially affect objective performance of official duties.
- b) When working for the Organization, we should definitely avoid abusing our position for private gains; we must follow **the principle of selflessness** (we avoid direct or indirect financial, economic or personal interests that could threaten our impartiality or independence) and **the principle of impartiality** (that is, we deal with matters transparently, applying the principle of equal treatment and fair competition).
- c) One should not establish a relationship of gratitude with entities whose affairs we may potentially handle in the future. In such relationships, the principle of "everyone pays for themselves" should be applied.
- d) Decisions that have the hallmarks of nepotism and/or cronyism should be avoided.
- e) A conflict of interest can take various forms, not always obvious, therefore, when any doubts arise, such a situation should be consulted with the line manager or the Compliance Department.

12. Process of employment.

- a) The employment process should be consistent with the internal Employment Policy, including with laws applicable in the relevant jurisdiction.

- b) In the event of the emergence of even a potential conflict of interest, all such situations should be reported, clarified, and the persons affected by this conflict of interest appropriately excluded from the given process.
- c) Key positions should be filled with persons whose integrity is documented and has not been undermined.
- d) All new Employees and Associates should complete relevant training and be familiar with the internal policies binding in the Organization.
- e) Violation of laws or internal rules by an Employee or Associate should be followed, without exceptions, by taking consequences and imposing relevant sanctions.

13. Accountancy.

- a) Accounting records kept by the Companies must comply with the accounting regulations that apply in a given jurisdiction and with the Accounting Strategy adopted in the Elemental Holding Polity Capital Group; they should reflect operations carried out in a comprehensive and transparent way. All costs, debts, payments, and commitments relating to expenditure should be immediately disclosed in the financial information.
- b) Each of the Companies is obliged to comply with findings of internal accounting audits, as well as to provide data to external auditors designated to carry out audits in the Elemental Holding Capital Group.
- c) The following is unacceptable:
 - i. setting up non-accounting accounts or conducting non-accounting or insufficiently documented transactions;
 - ii. recording non-existent expenses;
 - iii. posting of liabilities with incorrect determination of their purpose;
 - iv. using false documents, or
 - v. deliberate destroying of accounting records before the expiry of the time limit provided for by law.

14. Lobbying.

- a) All activities aimed at influencing legislation, policy formulation and decision-making process must comply with the laws of the relevant jurisdiction to which the Company is subject.
- b) It is forbidden to employ a public official currently holding their office or their relatives or other close persons for lobbying purposes.

CONTROL AND WHISTLEBLOWING PROCEDURE

§ 6

1. The Elemental Holding Capital Group controls whether the Policy is adhered to and complies with the rule that "example comes from the top". The Organization and the Company must all support their Employees and Associates in creating and strengthening positive patterns, as all communications must be consistent with activities pursued by the Organization.
2. A *whistleblower system* has been introduced in the Elemental Holding Capital Group and is dedicated to all stakeholders to report personally or anonymously any irregularities noticed ². Respective stages of the procedure are included in the **Whistleblowing procedure**. We hope that the provision of various communication channels (e-mail, mailbox, web form, including anonymous form of the report) will enable the widest possible group of recipients to contact us to analyze and consider existing or potential violations in the field of corruption.
3. One of the most important elements in detecting corrupt practices is their immediate reporting. Any incident of a corrupt nature should be straight away referred to competent parties designated in the **Whistleblowing procedure** and any evidence related to such events should be secured, as far as possible.
4. Apart from preventing the occurrence or effects of corrupt practice, such quick reporting allows collecting more extensive and more reliable evidence, as well as avoiding situations in which a person aware of a corruption event becomes

² As an Organization, we would like to remind you that the system of reporting violations should be used to report any doubts in cases of fraud, workplace harassment, corrupt practices, conflicts of interest, unfair competition, and other forms of unethical conduct.

entangled in a situation of dependence, gratitude or is presented by taking action by illness, multitude of duties or other complicated private situation.

LAWS AND SANCTIONS

§ 7

1. The Policy contains a set of basic principles, threats, and guidelines and should warn the entities, to which it is addressed, against engaging in corrupt practices.
2. As a developed Organization, we are aware that violation of anti-corruption laws often requires lengthy and costly investigation proceedings and in addition, such situations may compromise the reputation of our Organization and in the end disqualify our Companies as business partners, which would entail significant image and financial losses. In addition, most corrupt practices are criminal offenses punishable by fines and even imprisonment of natural persons.
3. The penalization of corruption events may vary depending on the jurisdiction to which the Company is subject. In particular, criminal laws such as the *FCPA* and the *Bribery Act* should be mentioned. They introduce strict sanctions for a violation of their provisions and apply to those Companies that have their registered offices in the USA and Great Britain, respectively, in which these anti-corruption laws apply.
4. The Elemental Holding Capital Group also operates pursuant to the provisions of international acts, including the United Nations Convention against Corruption, which aims at combating bribery and corruption. We make efforts to support initiatives and strengthen activities aimed at eliminating undue advantages as part of our business activity or function.
5. Violation of the Anti-Corruption Policy, apart from the fact that it may result in civil or criminal liability specified in the law of a given jurisdiction to which the Company is subject, is also associated with disciplinary sanctions applicable in the Capital Group. The following disciplinary actions may be taken in the Organization:
 - a) towards Employees and Associates:
 - i. immediate termination of the Agreement between the Employee/Associate and the Company;

- ii. degradation from the position held in the Company;
 - iii. lack of possibility to be promoted for a certain period or other additional bonuses that are not obligatory.
- b) towards business partners:
- i. immediate termination of an agreement that is the basis for cooperation with a given business partner, including subsidiaries of a given business partner involved in corrupt activities;
 - ii. imposing a contractual penalty resulting from a contract with a given business partner;
 - iii. exclusion of a given business partner as a potential counterparty in future projects of the Companies;
 - iv. prohibition to name any Company from the Elemental Holding Capital Group as a cooperating entity in marketing materials of such business partner.

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