



AGK First DMCC

Anti-Bribery and Anti-Corruption Policy

Revision History

Version	Date	Highlight
Original	14 July 2022	Policy implementing Anti-Bribery Laws and Regulations
Version 2	01 March 2023	Amended to reflect adoption of new corporate name

Approved by

A handwritten signature in blue ink, appearing to be 'M. Al-Falasi', written over the 'Approved by' text.

**AGK FIRST DMCC  
Management**



## Contents

<b>Declaration of Policy</b> .....	3
<b>Purpose</b> .....	3
<b>Scope / Coverage</b> .....	3
<b>Nature of the Policy</b> .....	3
<b>Definition of terms</b> .....	4
<b>Ways of Committing Bribery and Corruption</b> .....	4
<b>Duties and Responsibilities</b> .....	4
<b>Operational Principles, Policies and Procedures</b> .....	6
<b>Procedures in Case of Bribery, Corruption and Violation of Policy</b> .....	6
<b>Recordkeeping</b> .....	7
<b>Annual Internal Audit</b> .....	8
<b>Management Review</b> .....	8
<b>Training</b> .....	9
<b>Penalties According to Law</b> .....	9
<b>Amendment of the Policy</b> .....	9
<b>References</b> .....	9

## Declaration of Policy

AGK adopts a policy of zero tolerance against all kinds of bribery and corruption, and strictly prohibits them within AGK as well as with those with whom AGK do business with. AGK encourages and enforces honesty, integrity, and transparency in conducting business. AGK imposes necessary action against employees and business partners who are found guilty of bribery, corruption and violation of the Policy, and extends protection to those who report them including ensuring that they are not pressured or punished in doing so.

AGK is committed to continuously reviewing and updating the Policy based on updates on laws, regulations, trends, and learning in the course of implementing the Policy to the end that the Policy is made more effective and efficient.

## Purpose

This Policy is designed and implemented for the following purposes:

1. To reinforce AGK's Code of Conduct and Ethics.
2. To set out in the relevant responsibility of different AGK stakeholders – directors, senior management, compliance officer, auditor, employees, and business partners.
3. To lay down the procedures for dealing with potential or actual case of bribery, corruption, and violation of the Policy, the related disciplinary and other actions, and the penalties provided under the law as bribery and corruption is a criminal offense.

## Scope / Coverage

The Policy applies to the following:

1. AGK, as represented by the Board of Directors and Shareholders
2. Companies related to AGK as subsidiary or associate.
3. Officers of AGK, including senior management
4. All AGK employees and agents, in general.
5. Compliance Officers and Auditors with respect to their roles as such
6. Business partners including suppliers, service providers, agents, their partners and employees.

The Policy applies in all jurisdictions where AGK operate or may operate in the future.

## Nature of the Policy

The Policy shall be considered as an integral part of AGK's Corporate Governance Principle.

AGK endeavors to develop a policy that is as comprehensive as possible, but due to the many ways to commit bribery and corruption, the Policy rather provide a general policy and procedures for dealing with a potential or actual case of bribery, corruption or violation of the Policy.

## Definition of terms

As used in the Policy, the following terms shall have the following meanings:

**Corruption.** The improper and usually unlawful conduct intended to secure a benefit for oneself or another.

**Bribery.** The offering, giving, soliciting, or receiving of any item of value as a means of influencing the actions of an individual holding a public or legal duty.

## Ways of Committing Bribery and Corruption

Bribery and corruption can be committed in many ways, but among the common ways are as follows:

**Cash payments.** A sum of money that one person offers or gives to another in order to persuade him or her to do something.

**Political donations.** The giving or providing, directly or indirectly, of cash, venues, equipment, personnel time or other benefit to a political party, or to an individual who is standing for elected office, or to an individual or organization who is nominated by or connected with a candidate for office, a political party or a member of a political party.

**Charitable donations.** The giving or providing, directly or indirectly, of cash, venues, equipment, personnel time or other benefit to a charity, or to an individual or organization who is nominated by or connected with a charity.

**Gifts.** The money, vouchers, goods or services, which, if given appropriately, are a mark of friendship or appreciation. They should be given without expectation of consideration or value in return. They may be given in appreciation of a favor done or a favor to be carried out in the future though care should be taken that this does not stray into being made with intent to achieve improper influence. Gifts should have no business roles other than marking and enhancing relations or promoting the giver's company by incorporating a logo or message on a promotional item.

**Hospitality or entertaining.** Given or received to initiate, cement or develop relationships. It includes meals, receptions, tickets to entertainment, social or sports events. Hospitality requires the host to be present; if not, the expenditure is a gift. Often an argument for hospitality is made that it provides a relaxed, neutral, environment in which business relationships and activities can be started, fostered, information imparted and respect and trust shown. Hospitality can also be associated with fund-raising events held for charitable causes with the company assisting the causes by purchasing tickets or introducing potential supporters.

**Expenses.** The provision or reimbursement by the company of travel, lodging and other expenses incurred by a prospective client, customer or business partner. Expenses can be a legitimate contribution to achieving a business outcome. For example, a company pays the travel and associated costs for representatives of a potential customer to visit a facility or attend an exhibition, event, conference or training.

## Duties and Responsibilities

Everyone in AGK plays a role in fighting bribery and corruption. The duties and responsibilities of each one depends on the group where one belongs:

### **Board of Directors**

The Board of Directors has the overall responsibility for ensuring compliance by AGK with laws and regulations as well as its moral and ethical obligations. In this regard, the Board is ultimately responsible for the design and implementation of an effective and efficient anti-bribery and anti-corruption Policy in AGK and is ultimate deciding body in the imposition of AGK penalty for violators.

### **Senior Management**

The Senior Management of AGK has the responsibility for ensuring that all the covered employees and business partners are informed of the Policy. They shall lead and organize meeting to review the Anti-Bribery and Anti-Corruption Policy which shall be done at least annually to ensure its continuing suitability, adequacy and effectiveness. Reviews shall include assessing opportunities for improvement and the need for changes to the Policy including the AGK's policies and objectives.

### **Compliance Manager**

The Compliance Officer has the primary and day-to-day responsibility for implementing the Policy, and for monitoring its use and effectiveness and take the necessary steps to maintain such effective system of internal control and monitoring to prevent bribery and corruption. The Compliance Officer must assess the vulnerability of each business unit to bribery and corruption risks, and where bribery and corruption risks are identified they should be managed in line with the AGK's established risk management framework. Risk management includes awareness training of employees.

### **Employees**

It is every AGK employee's responsibility to ensure that they understand the Policy, and acknowledge this understanding through signing an annual declaration to this effect. They are responsible to comply with the Policy and ensure that they are fully briefed on the background and reputation for integrity of agents, business partners, suppliers and other counterparties before doing business with them. When confronted with questionable situation, or when witnessing a potential or actual case of bribery, corruption or violation of the Policy, they are responsible to report the question or notify their immediate superior, manager, or other employees authorized to take the report.

### **Auditor / Audit Department**

The auditor, internal or external, who must not be involved in the design and implementation of the Policy is responsible to review on the effectiveness and efficiency of the Policy, and report to the Board of Director on his findings.

### **Business Partners and their Agents and Employees**

The Clients, Suppliers, Service Providers, and other business partners of AGK, and their agents and employees are responsible to comply with applicable laws and regulations as well as with the relevant provision of the Policy especially with respect to their dealings with AGK. While cases of bribery and corruption they commit may not involve AGK, AGK may severe its relationship with them for their want of honesty, integrity, and/or transparency.

## Operational Principles, Policies and Procedures

### Prohibited Acts

This policy requires covered persons:

- Not to offer or make any bribe, unorthodox or unauthorized payment or inducement of any kind to anyone;
- Not to solicit business by offering any bribe, unorthodox or unofficial payment to customers or potential customers;
- Not to accept any kind of bribe, unorthodox or unusual payment or inducement that would not be authorized by the AGK in the ordinary course of its business activities;
- To refuse any bribe or unorthodox payment and to do so in a manner that is not open to misunderstanding or giving rise to false expectation; and to report any such offers to the director(s) of the AGK.

### Procedures in Case of Bribery, Corruption and Violation of Policy

Potential and actual cases of bribery, corruption and violation of the Policy shall be dealt with in AGK according to the following procedures.

- An employee who is offered a bribe by a third party, are asked to make one, or who witnesses or obtains knowledge of a potential or actual bribery, corruption or violation of the Policy shall as soon as practicable report to the Compliance Officer, or his supervisor or manager or to the next superior in case they are or are suspected to be involved.
- The compliance function should preferably be the recipient of any reports of suspected or actual bribery or breach of this Policy. If the reports go in the first instance to another person, these reports shall be passed on to the compliance function as soon as possible unless the compliance function is implicated in the bribery being investigated, in such event, the matter shall be reported directly to the top management.
- The recipient of the report shall treat the report with confidentiality to protect the identity of the reporter or whistleblower and of other involved or are referenced in the report.
- The recipient of the report shall assess and where appropriate, investigate any reported, detected or reasonably suspected case of bribery, corruption or violation of the Policy. Where the recipient is unable or is not competent to conduct the investigation, the recipient shall report the issue to the Compliance Officer and Senior Management. In this case, the Compliance Officer, or the internal auditor, another appropriate manager or an appropriate third party can be assigned to conduct the investigation with the status and result reported to the Compliance Officer and Senior Management.
- The scope and extent of investigation shall be reasonable and proportionate to the circumstances of each case. For instance, a major bribery issue requires urgent action and detailed report relative to the approach for minor breach of the Policy. Minor issues shall be dealt with by the compliance function, with a periodic summary report of all minor issues being made to top management. Major issues are

reported straight away by the compliance function to the top management for its decision on how to respond.

- In conducting the investigation, the investigating employee or third-party are empowered to require the attendance of relevant personnel and to gather other evidence whether documentary or testimonial. They should be given appropriate authority, resources and access to enable the investigation to be carried out effectively. In all cases, the person investigating should be competent with competence established through prior relevant experience and training. The investigator must be cautious in conducting the investigation bearing in mind risk of criminal and civil liability for defamation.
- The status and the results of the investigation shall be reported to the Compliance Officer and the Senior Management. Upon identification of any issue, top management or the compliance function, as appropriate, shall then assess the known facts and potential severity of the issue. If there are no sufficient facts on which to make a decision, the investigation on the matter shall immediately take effect. The results of the investigation shall be reported to top management or the compliance function as appropriate.
- Once the investigation has completed, and/or sufficient information to make a decision were obtained, then appropriate follow up actions shall be implemented.
- Depending on the circumstances and the severity of the issue, one or more of the following actions may be taken by AGK against employees who are found guilty of bribery, corruption or violation of the policy.
  - Verbal or written warning.
  - Suspension or termination of employment
  - Repayment of any improper benefit obtained;
  - Reporting of the violation with the authorities.
  - if bribery has occurred, taking action to avoid or deal with any possible consequent legal offenses (e.i. false accounting which may occur where a bribe is falsely described in the accounts, a tax offense where a bribe is wrongly deducted from income, or money-laundering where proceeds of a crime are dealt with).
- Actions against parties with whom AGK has business with include withdrawal from transaction, modification of AGK's involvement in the project, transaction or contract, or termination of business relationship.
- AGK will not tolerate retaliation against anyone who, in good faith, reports a concern or cooperates with a compliance investigation. Officers or employees who retaliate against any other employee will be subject to disciplinary action, up to and including termination. Any suspected retaliation shall be reported immediately.

## Recordkeeping

AGK shall adopt a recordkeeping and reporting system which ensures complete and reliable records and reports of transactions, and a system of protecting them from risk of manipulation to ensure their integrity. The record must consist of accounts, invoices, memoranda and other documents evidencing justification for each transaction. In the case of disbursements, must be covered by proof of approval, and proof of use of money, and in the case of receipts, proof of their source. All kinds of hospitality and gifts received or offered must be declared to the Compliance Manager who shall review them to ensure that the act do not constitute bribery or corruption or a violation of the Policy.

In addition to record and report of AGK transactions, record and report of cases of suspected and actual cases of bribery and corruption, the details of investigation conducted including evidence obtained and the findings as well as the correction and preventive action reports, internal audit reports, report on management review of the Policy and its implementation, conflicts of interest report, and record and report on trainings attended by employees, compliance officer, and management.

### Annual Internal Audit

Internal Audit shall be conducted at least once annually to verify the compliance with AGK Anti-Bribery and Anti-Corruption Policy. The purpose of Internal Audit is to verify that the policies and procedures in this Policy are being implemented effectively, to ensure its continuing suitability and to identify improvement opportunities.

Internal Audits shall be carried out by independent auditors whether in-house or from external audit firms. The nominated auditors shall be responsible for the preparation, coordination, execution, and reporting of the audit. All internal audits shall be documented and records shall be maintained.

### Management Review

Management Review of the AGK's Anti-Bribery and Anti-Corruption Policy and its implementation shall be done at least annually to ensure its continuing suitability, adequacy and effectiveness. Reviews shall include assessing opportunities for improvement and the need for changes to the Policy including the AGK's policies and objectives.

The review committee shall consist of the Managing Director, Compliance Manager, Department Heads and other invitees, if necessary. It shall be the responsibility of the Compliance Manager to organize the management review meetings annually.

The management review meeting shall include the following agenda:

- a. the status of actions from previous management reviews;
- b. changes in external and internal factors that are relevant to the anti-bribery and anti-corruption policies and controls;
- c. information on the performance of the anti-bribery system, including trends in (a) non-conformities and corrective actions; (b) audit results; (c) reports of bribery; (d) investigations.

The outputs from the management review shall include any decisions and actions related to opportunities for improvement and any decision and actions related to possible changes to the Anti-Bribery and Anti-Corruption Policy and controls, consistent with the AGK's commitment to continual improvement.



Relevant outputs from the management review shall be made available for communication and consultation.

All records of the management review shall be documented and maintained.

## Training

Employees are made aware and are trained about the policies and procedures upon their onboarding with the AGK, and on ongoing basis thereafter such as when there are updates in laws and regulations or when necessary to refresh them of such policies and procedures.

## Penalties According to Law

Bribery and corruption are criminal offenses and are punishable by the Federal Law of United Arab Emirates.

- Individuals who are found guilty of accepting a bribe in exchange for exerting their influence over a public officer would be subject to a fine not exceeding AED 10,000.00 and imprisonment of up to one year.
- Individuals who offer a Bribe to a "public officer" or to an individual who is in a position to exert influence over a "public officer", would be subject to a fine equivalent to the benefit they offered as a Bribe (provided the fine is not less than AED 1,000), confiscation of the actual benefit offered and imprisonment not exceeding five years. Similar penalties would apply to any individual who facilitates a Bribe between the offeror and the recipient.
- Individuals who accept Bribes in the private sector would be subject to a fine equivalent to the benefit accepted by them (provide the fine is not less than AED 1,000), confiscation of the actual benefit accepted and imprisonment not exceeding five years.

## Amendment of the Policy

AGK is committed to continuously reviewing and updating our policy and procedures based on the learning. AGK 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. Therefore, this document is subject for modification. Any amendment or waiver on any provision of this Policy must be approved in writing by the Managing Director. This Policy will be reviewed and audited from time to time which requires cooperation from all concerned.

## References

The Policy is derived from the following authoritative sources:

1. DMCC's Guidance for Risk Based Compliance for Designated Non-Financial Business and Professions
2. DMCC's Anti-Money Laundering and Combating the Financial Terrorism Policy and Process
3. OECD Guidelines for Responsible Sourcing of Precious Metals
4. DMCC Guidelines for Responsible Sourcing of Precious Metals

## 5. LBMA Responsible Sourcing and Good Delivery Rules