Aperam Corporate Policy

Anti-Corruption and Bribery Policy

Approved by Management Committee on 17 July 2014

Document Information

Short Description:

Aperam has adopted ‘zero tolerance’ approach concerning any acts or attempts in relation to corruption and bribery wherever it does business or intends to do business.
This policy should be read in conjunction with Aperam Code of Business Conduct.

Scope:

This policy is relevant to all staff, including Management and Directors of Aperam and all of its subsidiaries. It is also relevant to any third party acting on behalf of or in the interest of Aperam and/or its subsidiaries, including in case of a joint venture with another company or organization.

1. Purpose

Aperam has a reputation for honesty and integrity in its management practices and in its business transactions that it wishes to maintain. Aperam and all of Aperam subsidiaries as well as its Management, have a zero-tolerance approach concerning any acts or attempts in relation to corruption and bribery wherever it does business or intends to do business.

2. Scope

Failure to observe Anti-corruption law and regulations can severally damage the reputation of Aperam and may subject Aperam to severe criminal and civil fines and potential loss of export privileges, as well as individuals to fines and imprisonment.

Therefore, Aperam and its Management strictly forbid to business partners, agents, contractors and other third parties to make a payment to such a third party, while knowing or being in a position to suspect that all or a portion of the payment will go directly or indirectly to a government official. The same holds true for using such third parties for providing an advantage or unrelated services to a government official.

In order to fully comply with this policy and avoid ambiguous situations Aperam and its Management team strictly forbid contributions of money or services on behalf of Aperam to any trade union or union member or to any entity controlled by a trade union in any country. The same prohibition also applies concerning contributions of money or services on behalf of Aperam to political parties, members of political parties and candidates for a public office.

This policy is relevant to the entire staff, including Management and Directors, of Aperam and all of Aperam subsidiaries.

It is also to be considered as relevant to any third parties acting on behalf of or in the interest of Aperam and/or and all of Aperam subsidiaries, including in situations of involvement in a joint-venture with another company or organization.

Management will ensure that all necessary support, tools and processes are in place in order to assist the company and its staff in understanding their obligations, analyzing the situation and taking the most appropriate course of action in a given situation.

In cases of doubt about the extent of certain terms or other aspects of this policy, any inquiry, concern of potential corruption and bribery situations or demand for support should be addressed to Aperam's Compliance Officer.

3. Contents

3.1 Legal environment and terms "corruption" and "bribery"

Anti-corruption acts & regulations have a variety of sources and are issued in support of national and international policies which concluded that bribery in business transactions:

- raises serious moral and political concerns
- undermines good governance and economic development, and
- distorts international competitive conditions

In practice, the words "bribery" and "corruption" are generally used interchangeably.

Aperam considers as corruption and bribery, by taking as a basis the United Nations Convention against Corruption, which entered into force on 14 December 2005.

3.2 Bribery of public officials

Bribery of national public officials or of a foreign public official or an official of a public international organization ("Public Official") may consists in order to obtain or retain business or other undue advantage in relation to the conduct of national or international business in offering or giving, directly or indirectly, of an undue advantage, for the Public Official himself or herself or another person or entity, in order that the Public Official:

- act or refrain from acting in the exercise of his or her official duties,
- abuse his or her real or supposed influence with a view to obtaining from an administration or public authority an undue advantage for the Company
- fail to perform an act in violation of laws when committed intentionally
- Embezzle, misappropriate or diverte any property, public or private funds or securities or any of value entrusted to him or her when committed intentionally, for his or her benefit or for the benefit of another person or entity.

3.3 Bribery in private sector

- Bribery in the private sector: when committed intentionally in the course of economic, financial or commercial activities:

  - The promise, offering or giving, directly or indirectly, of an undue advantage to any person who directs or works, in any capacity, for a private sector entity, for the person himself or herself or for another person, in order that he or she, in breach of his or her duties, act or refrain from acting;

  - The solicitation or acceptance, directly or indirectly, of an undue advantage by any person who directs or works, in any capacity, for a private sector entity, for the person himself or herself or for another person, in order that he or she, in breach of his or her duties, act or refrain from acting.

4. Aperam's commitments

Aperam and all of Aperam subsidiaries as well as its Management aims to ensure compliance with Anti-corruption laws and regulation as a continuous commitment. Accordingly, all employees together with the management of Aperam are expected to be vigilant and to play an active part in the Anti-corruption activity.

4.1 Procurement and Bidding procedures

It is important that Aperam is able to demonstrate that local procurement decisions are taken based on merit and not by exerting improper influence on government officials. Procurement regulations usually include specific rules about the timing of, and process for, securing bid information and documents and Aperam employees and management team should ensure that they act in conformance with those rules. One should never seek non- public inside information in violation of such regulations. During the tender process, strict regulations usually exist concerning conflicts of interest and interactions and communications with officials involved in the tender process.

During the tender process, one should not engage in any entertainment, gift-giving, or similar exercise with any official or other person involved in the tender process.

4.2 Gifts, entertainment, travel

Aperam is under legal obligation to comply with the anti-corruption laws and regulations of the countries where it does business. Therefore gifts should not be given without the prior review of the local anti-corruption law and this Anti-corruption and Bribery policy.

No gifts and gratuities should be offered to government officials. The Aperam Code of Business Conduct also prohibits offering gifts or granting favors outside the ordinary course of business to current or prospective customers, their employees and agents, or any person (including but not limited to “government officials”) with whom Aperam has a contractual relationship or intends to negotiate an agreement.
Cash gifts to anyone are prohibited and, if offered, must be refused.

All business entertainment and travel given or received by Aperam employees or management must be moderately scaled and clearly intended to facilitate business discussions. As a general guideline, business entertainment in the form of meals and beverages is acceptable as long as it is in line with local law, reasonably infrequent and as far as possible on a reciprocal basis.

4.3 Whistle-blower policy

Any concern that an Aperam employee has about a possible bribery or corruption case should be reported immediately in accordance with the Aperam Whistle-blowing Policy.

5. Responsibility in cases of involvement of “corruption” and “bribery”

This policy is an essential policy for Aperam, its Management and all staff.

Any breach discovered will be sanctioned by Aperam and its Management with the outmost severity in compliance with all applicable laws.

It should also be clearly pointed out that if a situation appears whereby Aperam is involved in a corruption and bribery situation, depending on circumstances, not only Aperam, but also the Management and/or any other staff involved could be held liable.

Depending on circumstances and the competent jurisdiction, criminal fines for the company could reach tremendous amounts and have significant negative impact for the company, while a member of Management and/or members of staff could face very important fines and/or prison sentences. It should also be kept in mind that the criminal responsibility of Aperam, Management and of the staff cannot be limited by a contractual clause, whatever the wording used.

6. Update of this policy

The Legal Department is responsible to update this Policy based on regulatory changes or other legal constraints or organizational developments.

This policy is worded in English. Translations are made available in Dutch, French and Portuguese. In case of divergences between the English version and the Dutch, French or Portuguese versions, the English version will prevail.