



## **The Copper Mark Business Integrity Policy**

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## **1 Introduction**

The Copper Mark Business Integrity Policy (herein referred to as “Policy”) is an internal document generally applicable to its employees and the directors. In some cases, responsibilities extend to contractors, vendors, or sites participating in or using the Assurance Framework as well. Violations of this Policy will be handled in accordance with relevant agreements and the Articles of Association as appropriate.

All existing and new directors and employees should receive a copy of this Policy and shall be deemed as accepting it.

The Policy has been prepared to guide The Copper Mark’s activities to help ensure that the company complies with applicable laws and best practice. Acknowledging that The Copper Mark has an interest or connection in a number of legal jurisdictions, each with its own laws, The Copper Mark will seek professional legal advice in relation to relevant jurisdictions as the need arises.

The directors of the Copper Mark have overall responsibility for this Policy, and for reviewing the effectiveness of actions taken in response to concerns raised under this Policy.

All directors and employees are responsible for the success of this Policy and should ensure that they use it to disclose any suspected danger or wrongdoing. Employees and directors 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 Executive Director.

## **2 Privilege**

Communications with The Copper Mark’s UK external lawyers are privileged from disclosure to the UK Competition & Markets Authority.

## **3 Review**

This Policy has been approved by The Board and shall be reviewed and approved by the same every [2] years.

## **4 Competition / Anti-Trust**

### **4.1 General**

In this Policy, “competition law” is used and not “anti-trust” but the general thrust of compliance is the same regardless of terminology.

When carrying out activities – in particular, where companies that participate in or use the Assurance Process or otherwise partner with The Copper Mark, as well as other third parties attend meetings or other events organised through or in conjunction with The Copper Mark – The Copper Mark must avoid or try to prevent behaviour that could

be considered, internally or externally, as collusive or facilitating collusion. This could mean closing down discussions or entire meetings if necessary and recording that fact.

The Copper Mark, companies that participate in or use the Assurance Process, or otherwise partner with the Copper Mark will avoid:

- Anti-competitive agreements: these are agreements which may affect trade within national boundaries or supra-national area boundaries (e.g. the UK or the EU) and have an anti-competitive object or effect; and
- Abuse of dominance: this refers to anti-competitive conduct by an organisation that holds a significant share of a particular market or controls access to that market in some way. This could include the market for the responsible production of copper where the validation of such practices becomes an essential requirement to trade effectively.

#### **4.1 Behavior to avoid**

The Copper Mark will take reasonable efforts and encourage companies that participate in or use the Assurance Process or otherwise partner with the Copper Mark, as well as other third parties, to avoid engaging in the following behavior:

4.1.1 Unlawful competitor agreements: any agreement (including informal, unwritten or so-call gentlemen's agreements) involving:

- fixing purchase or selling prices or other trading conditions (including discounts);
- sharing/allocating suppliers, clients or geographical areas of operation;
- rigging or otherwise 'fixing' bidding tenders or quotations; or
- taking collective action against third parties, such as boycotting or blacklisting suppliers or customers.

4.1.2 Unlawful information exchanges: sharing commercially confidential company information in a format other than historic and aggregated, such as:

- pricing (including discounts);
- sales;
- market shares;
- suppliers;
- supply or purchase terms;
- costs;
- investments; and
- commercial strategy – i.e. any matter relating to a Producer or Partner's proposed objectives or intentions in the industry (e.g. acquisitions, disposals,

bidding strategy and marketing strategy).

## 4.2 Implementation

The Copper Mark conducts all meetings, workshops, speaking and other engagements mindful of competition law compliance. The Copper Mark will present the anti-trust statement at the start of each such engagement where two or more parties are present.

Copper Mark employees must stop any discussion that he/she deems might lead to an infringement of competition law and seek the advice of The Copper Mark's legal advisors.

In order to implement this, Copper Mark employees will take the following steps at meetings and other engagements:

- Include an agenda that avoids open-ended items such as “Miscellaneous Operational Matters” – “AOB” is a more recognised and acceptable standard final agenda item;
- Keep accurate minutes of the meeting and then distribute them to all participants;
- Avoid any discussions, both during and outside the meeting, in so far as they relate to individual organisations or companies rather than broad industry trends, including about any matters concerning pricing, discounts, costs, tenders, or the identity of customers or suppliers;
- Avoid any discussions which encourage collective commercial action in response to industry pressures; and
- Stop the discussion where there is a clear risk of departure from these guidelines and/or where it becomes clear that specific legal guidance on competition compliance issues should be sought. The incident should be reported to the Executive director of The Copper Mark and discussed if any follow-up action is required.

## 5 Conflicts of Interest

### 5.1 General

Each director must avoid situations in which they have or can have a direct or indirect interest that conflicts with, or may conflict with, the interests of The Copper Mark. Directors must act in accordance with The Copper Mark's articles of association (the “**Articles**”), and must properly manage situations where there may be a conflict of interest.

### 5.2 Conflict of Interest Defined

In this Policy, a conflict of interest means any situation where a direct or indirect interest of a director or the interest of another person or organisation with which a director is

associated conflicts, or might reasonably be regarded as conflicting, with the interests of The Copper Mark or the director's duty of loyalty to The Copper Mark.

Conflicts of interest can be direct or indirect, and are not just about personal benefits or benefits received by people or organisations connected with a director. Although the conferring of such benefits will give rise to conflicts which need to be authorised and managed, a conflict (or appearance or possibility of a conflict) can arise simply because a director has interests in or loyalty or other duties owed to other organisations whose interests might conflict with those of The Copper Mark.

Where a conflict of interest arises for a director as a result of circumstances affecting a connected person (see definitions below), it is the director that must comply with this Policy – not the connected person (unless the connected person is also a director of The Copper Mark, in which case both directors who have conflicts must comply). For the purposes of the Companies Act 2006 ("CA 2006"):

A person is "connected" with a director if they are a member of the director's family. That means the director's spouse, civil partner, any person with whom the director lives as a partner in an enduring family relationship, a child or stepchild of the director, a child or stepchild of a director's partner (if living with the director and under the age of 18), or the director's parents.

A company is "connected" with a director if the director (and persons connected with them) is interested in 20% or more of the equity share capital of that company, or can exercise more than 20% of the voting power at a general meeting of that company.

### 5.3 Conflicts Procedure

A director of The Copper Mark seeking authorisation in respect of a conflict must declare to the other directors the nature and extent of their interest in that conflict as soon as is reasonably practicable. There is no legal definition of "interest." However, the ordinary meaning of the word should be reasonably and cautiously interpreted in assessing whether circumstances are such that a director has an interest.

Any potential conflict of interest must be:

- identified;
- managed in accordance with the Articles and this policy; and
- minuted (i.e. set out in a formal record of a meeting of the board of directors).

### 5.4 Declaring Interests

A director 'Declaration of Interests' form is attached at **Error! Reference source not found..** This should be completed:

- by all new directors of The Copper Mark;
- annually by all existing directors of The Copper Mark; and

- when any existing director of The Copper Mark becomes aware of a new direct or indirect interest.

Directors must act reasonably and cautiously when completing their Declaration of Interests, listing all interests which may give rise to a conflict of interests.

## 5.5 Statutory duties regarding interests and conflicts of interest

Under CA 2006, the directors have the following duties in respect of interests and conflicts of interest:

- to avoid a situation in which the director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company (the duty to avoid conflicts of interest);
- not to accept a benefit from a third party conferred by reason of the director being a director, or their doing (or not doing) anything as director (the duty not to accept benefits from third parties); and
- to declare if they are in any way, directly or indirectly, interested in a proposed transaction or arrangement with the company, and the nature and extent of that interest, to the other directors (the duty to declare interests in proposed transactions or arrangements).

There is no exception to the duty to avoid conflicts of interest for minor conflicts. However, it is not infringed if:

- the situation cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- the matter has been authorised by the directors in accordance with the relevant statutory provisions.

If a director's interest or conflict of interest arises in relation to any of the following, there are further requirements under CA 2006 that must be complied with before the transaction can proceed:

- a long-term service contract: ss 188-189;
- substantial property transactions: ss 190-196;
- loans to directors: ss 197-214; and
- payments for loss of office: ss 215-222.

## 6 Anti-Money Laundering, Anti-Bribery and Anti-Corruption

### 6.1 General

Copper Mark directors, employees, contractors, vendors, sites participating in or using the Assurance Framework, organizations partnering with the Copper Mark and any associated persons acting for or on behalf of The Copper Mark must not commit,

implicitly or explicitly authorize, or be involved in money laundering, bribery, corruption, fraud or other economic crimes. The Copper Mark takes a zero-tolerance approach to these issues.

## 6.2 Definitions

### 6.2.1 Money-laundering

Money laundering is the use of transactions by criminals, terrorists, or others to conceal the illegal source of the funds. Money laundering may involve a number of transactions which, when completed, appear to be legitimate.

### 6.2.2 Bribery and Corruption

A bribe means giving or receiving a financial or other advantage in connection with the "improper performance" of a position of trust, or a function that is expected to be performed impartially or in good faith. Bribes can take the form of money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or any other advantage or benefit.

Bribery includes offering, promising, giving, accepting or seeking a bribe.

Common forms of bribery and corruption include:

- Offering or receiving payment, gifts, entertainment, hospitality or other benefit in the expectation that a business advantage will be received in return, or to reward any business received.
- Give or offer any payment (sometimes called a facilitation payment) to a government official in any country to facilitate or speed up a routine or necessary procedure.
- Charitable donations that either create or have the potential to create, the perception of impropriety.
- Political donations.

#### *Clarification on Gifts and Hospitality*

This Policy does not prohibit the giving or accepting of reasonable and appropriate hospitality for legitimate purposes such as building relationships, maintaining our image or reputation, or marketing our products and services.

A gift or hospitality will not be appropriate if it is unduly lavish or extravagant, or could be seen as an inducement or reward for any preferential treatment (for example, during contractual negotiations or a tender process).

Gifts must be of an appropriate type and value depending on the circumstances and taking account of the reason for the gift. Gifts must not include cash or cash equivalent

(such as vouchers), or be given in secret. Gifts must be given in the name of The Copper Mark, not individuals.

Promotional gifts of low value such as branded stationery may be given to or accepted from existing customers, suppliers and business partners.

### 6.2.3 Fraud

Fraud is a deliberate dishonest statement, act, concealment or omission intended to deceive someone for personal gain or the disadvantage of the other party. Fraud includes but is not limited to the deliberate misuse or misappropriation of assets or resources, submission or altering fictitious invoices, company records, expense reports, or bank account records, and otherwise concealing or omitting important information when required to disclose.

### 6.2.4 Other economic crimes

Other economic crimes include situations or arrangements involving terrorist financing, and facilitation of tax evasion.

## 6.3 Implementation

In order to proactively avoid any of the above, The Copper Mark will take the following precautions:

- Seek executive leadership and / or legal advice before engaging in any activity that may cause an actual or perceived action against this section of the Policy
- Conduct due diligence on all assessor firms and companies participating in or using the Assurance Process
- Disclose and record all transactions and expenses in particular those related to hospitality, gifts, or payments given or received
- Ensure accounts, invoices, and other records relating to dealings with third parties including suppliers and customers will be prepared with accuracy and completeness. Accounts will not be kept “off-book” to facilitate or conceal improper payments
- Inform business partners of this section of this Policy

Any observed instances of violating this section – whether or actual or perceived – should be raised immediately to the Executive Director or directors of the Copper Mark, through the whistleblowing process discussed in the section below or the Copper Mark Grievance Mechanism.

## 7 Staff Whistleblowing

## 7.1 General

The Copper Mark is committed to conducting business with honesty and integrity, and expects all employees to maintain high standards. A culture of openness and accountability is essential in order to prevent any illegal or unethical conduct and to address such conduct when it does occur.

This section of the Policy covers all employees, officers, volunteers, interns, agency workers, casual workers and independent consultants/contractors carrying out services personally. It does not apply to other categories of contractors or vendors who should raise concerns using The Copper Mark Grievance Mechanism which is published on our website.

## 7.2 Types of Whistleblowing Complaints

Whistleblowing is the disclosure of information which relates to suspected wrongdoing or dangers at work. This may include:

- criminal activity;
- failure to comply with any legal obligation or regulatory requirements;
- miscarriages of justice;
- danger to health and safety;
- damage to the environment;
- facilitating tax evasion;
- breach of our internal policies and procedures;
- conduct likely to damage our reputation or financial wellbeing;
- unauthorised disclosure of confidential information;
- negligence;
- the deliberate concealment of any of the above matters.

Any person may raise a genuine concern relating to any of the above.

## 7.3 Raising a whistleblowing concern

To raise a whistleblowing concern, the whistleblower (individual raising the concern) should contact one of the following:

- The Executive Director
- The System Advocate of The Copper Mark Grievance Mechanism (herein “System Advocate”)
- A Director of The Copper Mark

Contact details are set out at the end of this policy.

Following receipt, the above-mentioned individual will carry out an initial assessment to determine the scope of any investigation. As part of initial assessment, a meeting will be arranged between the whistleblower and the Executive Director, System Advocate, or director of the Copper Mark as soon as possible to discuss the concern. Additional meetings in order to provide further information may be required.

A written summary and indication of proposed course of action will be provided following the meeting.

#### 7.4 Confidentiality

Whistleblowing concerns are encouraged to be raised openly and employees are encouraged not to make disclosures anonymously.

However, whistleblowing concerns may be raised confidentially. Whistleblowers who are concerned about possible reprisals if their identity is revealed should come forward to the individual with whom the concern is raised and appropriate measures can be taken to preserve confidentiality. Concerned whistleblowers may seek advice from Protect, the independent whistleblowing charity, who offer a confidential helpline. Their contact details are at the end of this section.

#### 7.5 Investigation and outcome

An investigation may be required when a concern cannot be immediately resolved. In some cases the investigation may be conducted by an investigator or team of investigators including employees with relevant experience of investigations or specialist knowledge of the subject matter. The investigator(s) may make recommendations for change to enable The Copper Mark to minimise the risk of future wrongdoing.

The whistleblower will be informed of the progress of the investigation and its likely timescale. However, sometimes the need for confidentiality may prevent the sharing of specific details of the investigation or any disciplinary action taken as a result. Whistleblowers should treat any information about the investigation as confidential.

In the unlikely conclusion that a whistleblower has made false allegations maliciously, the whistleblower will be subject to disciplinary action.

#### 7.6 Appeal

If a whistleblower is not satisfied with the way in which the concern has been handled, he / she can raise it with one of the other key contacts listed. Contact details are set out at the end of this section.

#### 7.7 External disclosures

The law recognises that in some circumstances it may be appropriate for a whistleblower to report concerns to an external body such as a regulator. It will very rarely if ever be appropriate to alert the media. It is strongly encouraged for the whistleblower to seek advice before reporting a concern to anyone external.

### 7.8 Protection and support for whistleblowers

The Copper Mark does not tolerate threats or retaliation against whistleblowers in any way. Anyone involved in such conduct may be subject to disciplinary action. In some cases the whistleblower could have a right to sue you personally for compensation in an employment tribunal.

### 7.9 Contacts

<b>Whistleblowing Officer, Executive Director</b>	Michèle Brülhart +41.78.723.5005 michele.brulhart@coppermark.org
<b>System Advocate</b>	Alejandra Wood +56.22.481.4300 alejandra.wood@cesco.cl
<b>Protect</b> (Independent whistleblowing charity)	Helpline: 0203 117 2520 E-mail: whistle@pcaw.co.uk Website: www.pcaw.co.uk

## Appendix I: Declaration of Interests

### Declaration of Interests

I, [NAME], a director of The Copper Mark (company number 12370476) (the “Company”), have declared and set out below my interests.

#### Part 1

No.	Date notified to the Company	Details of interest noted
1.		

I confirm that the details that I have provided above are correct to the best of my knowledge.

If I become aware of a new direct or indirect interest, I will inform the Company and update this Declaration of Interests as soon as is reasonably practicable and, in any event, I will review and confirm the accuracy of this Declaration of Interests on an annual basis.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_