

# Uranium One Inc.

## Anti-Corruption Policy

### 1. Purpose

1.1 *Purpose.* Uranium One Inc. (the “**Corporation**”) is committed to conducting business in accordance with all applicable laws and regulations and high ethical standards. This Policy sets forth principles designed to ensure compliance with legislation prohibiting bribery and corruption of foreign government officials, including the Canadian *Corruption of Foreign Public Officials Act* (the “**CFPOA**”) and other applicable similar legislation in jurisdictions where Uranium One carries on business. This Policy is to be read together with Uranium One’s *Code of Business Conduct and Ethics*.

1.2 *Application.* This Policy applies to Uranium One Inc., to all Uranium One subsidiaries and to all joint ventures and other entities controlled directly or indirectly by the Corporation (collectively, “**Uranium One**”) and to all directors, officers and employees of Uranium One and such subsidiaries and controlled joint ventures and entities, wherever located. This Policy will be reviewed periodically by the Uranium One Board of Directors and amended or supplemented as required from time to time.

1.3 *Communication of Policy.* Every employee and third party agent or representative who has or will have contact with governmental officials in connection with Uranium One’s business is to be given a copy of this Policy on commencement of employment or engagement and periodically thereafter. Managers must ensure that the requirements of this Policy are reviewed and discussed with each such employee and third party and that each is provided with adequate counselling regarding compliance.

1.4 *Incident Reporting.* Uranium One personnel are expected to take all reasonable steps to prevent violations of this Policy, to identify and raise issues before they lead to problems, and to seek additional guidance when necessary. If violations occur, they must be reported promptly. Employees with questions concerning this Policy may contact the Legal Counsel or his/her designate at any time. Complaints or concerns are to be reported to the Legal Counsel or the Incident Reporting Hotline – please refer to the Whistleblower Reporting Procedure link on Uranium One’s website.

1.5 *Administration.* Uranium One’s Legal Counsel is responsible for administering and interpreting this Policy under the oversight of the Corporation’s Audit Committee. Any approval required from the Legal Department hereunder may be obtained from the Legal Counsel or other departmental member.

*Failure to comply with this Policy can result in criminal penalties, including large fines and being barred from doing business with various governmental entities. Failure by Uranium One personnel to comply with this Policy will be grounds for disciplinary action up to and including immediate termination of employment and possible legal prosecution. In addition, Uranium One will terminate contracts with consultants, agents, representatives and other third parties who are unwilling or unable to represent Uranium One in a manner consistent with this Policy.*

## 2. Statement of Policy

2.1 *Policy.* Persons subject to this Policy must comply with all applicable laws relating to anticorruption and dealings with foreign government officials. To that end, in doing business anywhere in the world, Uranium One employees, directors and representatives shall not offer, give, agree to offer or give, pay, promise or authorize any bribe, kickback or other illicit payment or benefit in violation of applicable Canadian, Russian, United States, Kazakh, Tanzanian or South African law, or the anti-corruption laws of any other country in which Uranium One does business. Uranium One will not authorize, participate in, or tolerate any business practice which does not comply with, or violates the intent of, this Policy.

## 3. Prohibited Payments

3.1 *Basic Prohibition.* Except as provided in section 3.5 below, Uranium One and its employees, directors and representatives are strictly prohibited from offering, giving, agreeing to offer or give, paying, promising or authorizing any money, bribe, kickback benefit or other thing of value to any governmental official, directly or indirectly through a third party, or to any person at the direction of a government official, for the purpose of influencing or inducing a government official to do or omit to do any official act or decision or to secure any other improper advantage in order to obtain or retain business or an advantage in the conduct of business. For the purposes hereof:

- (a) “*things of value*” include money, kickbacks, loans, rewards, advantages, providing facilities or services at less than full cost and other benefits, including extravagant gifts, entertainment and hospitality; and
- (b) “*governmental officials*” include employees of any government, or any government agency or authority, including state-owned or controlled corporations, as well as persons who hold a legislative, administrative or judicial position of a foreign state and persons who perform duties or functions for a foreign state; any public international organization and any of its officials, employees or representatives; any political party, party official or candidate; and close relatives of all of the foregoing, such as spouses, children or other family members.

Note that, *in Kazakhstan*, the above prohibition includes joint ventures where a state owned enterprise is one of the joint venture partners, and all employees, officers and directors of the joint venture.

3.2 *Examples.* Improper payments would include making or offering to make a payment: (i) to influence a governmental official to award a mining concession, subsoil use contract or other business opportunity; (ii) to issue any discretionary governmental authorization, approval, permit or license; (iii) to grant relief from otherwise required governmental obligations, such as paying taxes, passing inspections or obtaining licenses; or (iv) to influence legislative or judicial proceedings.

3.3 *Payments Required by Law.* With the prior approval of the Legal Department, payments may be made to foreign governmental officials if and to the extent the Legal Department is able to

confirm that these are required under the laws of the applicable foreign state or public international organization for which the governmental official performs duties or functions.

*3.4 Facilitation Payments.* The prohibition set out in Section 3 above also includes “facilitation payments” (i.e., small payments for routine governmental action, such as obtaining permits or licenses, visas, work permits or other official documents, for services normally offered to the public (such as mail pick-up and delivery, telecommunications, and power and water supply), for police protection, cargo loading and unloading and scheduling inspections related to contract performance or transit of goods.

*3.5 Extortion Payments.* If there is an immediate and credible threat or risk to physical health, safety or security, e.g. a demand at gunpoint for a cash payment to secure safe passage along an isolated road, a Uranium One employee, director or representative may make a payment to avoid suffering risk to their physical health, safety or security. Such payments must be reported as soon as possible to the Legal Department and accurately reflected in Uranium One’s books and records as extortion payments.

*3.6 Travel and Training Expenses.* In limited circumstances, with the prior approval of the Legal Department, Uranium One may pay travel and related expenses for governmental officials to attend professional, training or business events, where there is a legitimate business need for the travel, and such payment is permitted under local law. Expenses must be reasonable in amount and directly related to the business purpose of the travel, and accurately reflected in Uranium One’s books and records. In certain jurisdictions prior written approval is required from a State authority in order for government officials to attend such an event and/or for expenses in connection with the officials’ attendance of such an event to be defrayed. Approval to pay a government official’s expenses will be denied where it is reasonably believed that paying such expenses will create a sense of obligation, compromise the official’s professional judgment or create the appearance of doing so. Any payments approved to be made by Uranium One must be made directly to a third party service provider or, in exceptional circumstances, to the relevant government department or agency. Uranium One may not make payments directly to any governmental official.

*3.7 Gifts, Hospitality and Entertainment.* Gifts, hospitality and entertainment shall not be given, directly or indirectly, to governmental officials to improperly influence or reward an official act or decision or with the expectation of favourable treatment in return. In appropriate circumstances, with the prior approval of the Legal Department, gifts, hospitality and entertainment may be given to governmental officials, if in compliance with the laws of the country, customary in the country, and directly connected to a legitimate business activity or the performance of an existing contract. Gifts, hospitality and entertainment must, however, be permitted under local law, reasonable in amount (and not exceeding the legitimate and customary expenditure for such activity by private businesspersons in the country) and accurately reflected in Uranium One’s books and records. Gifts in the form of cash or cash-equivalents (such as pre-paid credit cards, store cards and vouchers) should never be given or received.

*3.8 Political Contributions.* Uranium One does not contribute corporate funds to political parties, party officials, candidates or organizations engaged in politics.

3.9 *Charitable Contributions.* Uranium One may from time to time make small contributions to charitable and local community causes. Where such contributions are made, particular care must be taken to ensure that the charity or cause is *bona fide* and not operated directly or indirectly for the benefit of any governmental official; such contributions must not be prohibited under *any* applicable anti-corruption laws or made with any expectation of favourable treatment in return, must be accurately reflected in Uranium One's books and records and must be pre-approved by the Legal Department.

#### 4. Agents and Third Party Representatives

4.1 *Indirect Payments Prohibited.* The prohibition in section 3.1 extends to payments made indirectly through an intermediary, such as a partner, agent or other third party representative, to or for the benefit of a government official. Those who act with conscious disregard of warning signs or in deliberate ignorance, i.e., a failure to conduct reasonable inquiry and diligence, can be deemed to "know" that the payment or thing of value is for the benefit of an official.

4.2 *Due Diligence Required.* Uranium One personnel must exercise due diligence and take all necessary precautions to ensure they form business relationships only with reputable and qualified partners, agents and other third party representatives who may have contact with governmental officials on Uranium One's behalf. Such due diligence should include determining whether a proposed partner, agent or other third party representative is qualified for the position, whether it has personal or professional ties to the government and its reputation in the local community. More detailed guidance on the conduct of integrity due diligence is available from the Legal Department.

4.3 *Red Flags.* In negotiating (or monitoring) a business relationship with a partner, agent or third party representative which may have contact with governmental officials on Uranium One's behalf, Uranium One personnel must be alert for any "red flags". These include: (i) unusual or secretive payment patterns or financial arrangements, including payments to offshore bank accounts, shell companies or to companies whose ownership is not transparent; (ii) a reluctance or refusal to disclose its ownership or to certify that it will comply with applicable anti-corruption legislation; (iii) a lack of transparency in expenses and accounting records; (iv) an apparent lack of qualifications or resources to perform the required services; and (v) any requests for false or misleading documentation.

4.4 *Contractual Protections.* Contracts with agents or third party representatives which may have contact with government officials on Uranium One's behalf must be in writing and approved in advance by the Legal Department. Such contracts must contain terms requiring compliance in performing services for Uranium One with applicable laws and this Policy and providing for remedies, up to and including termination, for failure to so comply. Once an agent or representative is retained, Uranium One personnel must monitor their activities for compliance with this Policy, advise the Legal Department immediately if they become aware of any violation or potential violation of this Policy, including that a payment prohibited by this Policy has been or may be made, and use all reasonable efforts to prevent the violation from occurring.

4.5 *Joint Ventures.* Any joint venture or business venture in which Uranium One has a controlling interest will be subject to the provisions of this Policy. If Uranium One has less than a controlling interest, Uranium One will use its influence, to the extent reasonable under the circumstances, to

cause the entity to adopt and follow policies substantially consistent with this Policy and to maintain accurate books and records and an appropriate system of internal accounting controls.

## **5. Reporting, Accounting, Training and Certification**

5.1 *Reporting.* Uranium One personnel are required to report violations of this Policy and applicable anti-corruption laws to a supervisor or to the Legal Counsel or other member of the Legal Department. Reporting may also be made by way of the Incident Reporting Hotline. Uranium One will not permit retaliation of any kind against any employee who reports misconduct in good faith.

5.2 *Books and Records.* Uranium One must make and keep books, records and accounts that accurately and fairly reflect its transactions and dispositions of its assets in sufficient detail to facilitate a full understanding and audit trail. No false or misleading entries may be made in the books and records for any reason. All contracts and other documents must accurately describe the transactions to which they relate. No payment on behalf of Uranium One should be approved without adequate supporting documentation or made with the intention that all or any part of the payment is to be used for any purpose other than that described in the documents supporting the payment. No accounts may be created or maintained which do not appear in Uranium One's books and records that are maintained in the ordinary course as set out herein. Uranium One's books and records should be retained and not destroyed earlier than permitted by law.

5.3 *Training and Certification.* The Legal Department will maintain a list of all Uranium One personnel who may have contact with governmental officials in the course of their duties and will ensure appropriate anti-corruption education and training is provided when they first take on such responsibilities and periodically thereafter. Such individuals, together with officers at the vice-president level and above of Uranium One and its affiliates, and any other manager or employee designated by the Legal Department, will be asked to provide an annual certification to the following effect:

*The undersigned hereby certifies that he/she has read and understands Uranium One's Anti-Corruption Policy. The undersigned further certifies that, after due inquiry and investigation, he or she is not aware of any fact or circumstance which indicates that a violation of the Anti-Corruption Policy has occurred during the period covered by this Certificate. The undersigned also certifies that he/she will promptly report any instance of such non-compliance in accordance with the provisions of the Policy.*