



Gifts and Entertainment Procedure

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NYRSTAR GROUP STANDARD PROCEDURE



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1. Purpose & scope

The giving and receiving of gifts and entertainment in a business context has to be managed carefully to ensure that it does not amount to, or could be perceived as, an attempt to improperly influence a business decision.

This procedure complements the relevant provisions of the **Code of Business Conduct** and the **Anti-Bribery and Corruption Policy** and essentially aims at providing more guidance to Nyrstar (temporary) employees as to:

- The kind of gifts and entertainment that we (temporary) employees allowed to offer or receive;
- The conditions under which we may offer or accept them.

Entities of Nyrstar are allowed to adopt more stringent procedures whenever considered appropriate on the basis of a risk assessment and local laws and regulations.

All (temporary) employees employed by Nyrstar under an employment agreement are subject to this policy.

2. What does gifts and entertainment mean?

Gifts and entertainment means anything of value, including (but not limited to) loans, favourable terms or discounts on any product or service, use of another company's vehicle, use of vacation facilities, stocks or other securities, participation in stock offerings, home improvements, tickets, gift certificates, lunches, dinners and events of any kind.

All gifts and entertainment must:

- Be legal under all applicable laws and comply with the rules of the recipient's organization;
- Be given openly and without any attempt to mislead or obscure its nature, value, purpose or recipient(s).

Gifts and entertainment must NOT be:

- Intended to influence business decisions;
- In the form of cash or a cash equivalent, such as gift cards, gift certificates, vouchers that can be exchanged for cash or service;
- Exchanged during a tender process with a business partner.

For the avoidance of doubt, entertainment includes travel and accommodation related expenses.

We refer to our **Business Travel & Expenses Policy** for more information.

The giving of gifts and entertainment to Politically Exposed Person (PEP) requires additional considerations which are covered in section 3.3.

3. Giving gifts and entertainment

3.1 General

You **MAY** give/pay for:

- The primary purpose is business related;
- The gift or entertainment is reasonable and appropriate in the business context.

You **SHOULD NOT** give/pay for:

- Gifts and entertainment which you know, or should know, are prohibited by the recipients' organisation;
- Gifts or entertainment that involve adult entertainment or illegal activities;
- Travel or accommodation expenses for family members;
- Gifts or entertainment that could create an actual or perceived conflict of interest.

When offering a gift on behalf of Nyrstar, we prefer to give small items such as pens, bags and umbrellas preferably with Nyrstar branding.

3.2 Approval process

You must obtain **pre-approval** from your **manager** and **compliance**, where the value of a gift or entertainment given exceeds:

- EUR/USD 100 per person
- AUD 150 per person

You must seek **pre-approval**, by taking the following steps:

1. You must first need to obtain **pre-approval** from your **manager** by e-mail.
2. Send an email to compliance.officer@nyrstar.com. You must provide the following information in the request:
 - Approval from manager for the intended gift/entertainment;
 - Intended recipient's relationship to Nyrstar;
 - Details of the intended gift and/or entertainment, including value;
 - Location and occasion at which the gift and/or entertainment shall be provided;
 - Any business decisions which were, are, or may in future be pending and over which the intended recipient has the power to decide or influence the outcome.

If compliance has any concerns, compliance will engage with you regarding those concerns. You will be notified by e-mail as to whether the gift and/or entertainment is approved or rejected. compliance will record the approval or rejection in the gifts and entertainment register.

3.3 Giving of gifts and entertainment to Politically Exposed Persons (PEP)

Nyrstar employees should be especially careful when offering gifts to Politically Exposed Persons. Because the laws of the United States (FCPA) and most other nations prohibit giving anything of value to Politically Exposed Persons in order to obtain or retain business or to secure some other improper advantage, it is important to be sure that gifts to these individuals cannot be construed as bribes. Further, Politically Exposed Persons often are prohibited by law from accepting gifts, so offering a gift may put the official in an awkward position.

Nyrstar defines a PEP as an individual who personally, or whose immediate family member (wife, husband, child, sibling, parent, grandparent, aunt, uncle):

- Holds or held (within the last 12 months) any position of influence by a government-owned or -controlled entity/body; or
- A senior post holder in a political party or candidate for public office.

Occasionally, giving a gift (such as a ceremonial gift) to a Politically Exposed Persons may be appropriate to build goodwill and strengthen working relationships. In such cases, giving a gift to a government official is permitted only if:

- The gift is of nominal value (under **US/EUR 100** or **AUSD 150** per person) **and** contains the **Nyrstar branding** (e.g., an article of calendar, pen, etc.);
- Local laws allow the official to accept the gift.

Entertaining Politically Exposed Persons is permitted only if the entertainment is:

- Under **US/EUR 100** or **AUSD 150** per person;
- Is not extravagant or lavish;
- Is not, or could not be perceived as, a bribe, payoff or kickback;
- Is in good taste and occurs at a business appropriate venue.

You must **always** seek **pre-approval**, by taking the following steps:

1. You must first need to obtain pre-approval from your **manager** by e-mail.
2. Send an email to compliance.officer@nyrstar.com. You must provide the following information in the request:
 - The e-mail including the approval from your manager;
 - Identity, function and place of work of the Politically Exposed Persons;
 - Intended recipient's relationship to Nyrstar;
 - Details of the intended gifts and/or entertainment, including value;
 - Date, location and occasion at which the gifts and/or entertainment shall be provided;
 - Any business or government decisions which were, are, or may in future be pending and over which the intended recipient has the power to decide or influence the outcome.

If compliance has any concerns, compliance will engage with you regarding those concerns. You will be notified by e-mail as to whether the gift and/or entertainment is approved or rejected. compliance will record the approval or rejection in the gifts and entertainment register.

4. Accepting gifts and entertainment

You **MAY** accept gifts and entertainment, offered for legitimate business purposes to the extent they comply with this procedure and provided such gift and/or entertainment:

- Does not affect your decision-making or give the appearance your decision-making may be affected;
- Does not create an actual, potential or perceived conflict of interest. For more information, see Nyrstar's **Conflict of Interest Policy**;
- During the entertainment, the organiser should be physically present.

You **SHOULD NOT** accept gifts and/or entertainment that:

- Involves adult entertainment or illegal activities;
- Are cash gifts or cash equivalents;
- Is prohibited by law;
- You know the provider is not permitted to give.

If, in accordance with this procedure, you cannot accept the gift, you must politely decline and return it. If you cannot return the gift, you must submit it to the human resources department of your office.

4.1 Approval process

You must obtain approval from your manager and compliance, where the value of a gift or entertainment given exceeds:

- EUR/USD 100 per person
- AUD 150 per person

You must seek approval, by taking the following steps:

1. You must first need to obtain approval from your **manager** by e-mail.
2. Send an email to compliance.officer@nyrstar.com. You must provide the following information in the request:
 - Approval from manager for the gift/entertainment
 - Intended recipient's relationship to Nyrstar
 - Details of the intended gift and/or entertainment, including value
 - Location and occasion at which the gift and/or entertainment shall be provided
 - Any business decisions which were, are, or may in future be pending and over which the intended recipient has the power to decide or influence the outcome

If compliance has any concerns, he or she will engage with you regarding those concerns. You will be notified by e-mail as to whether the gift and/or entertainment is approved or rejected. compliance will record the approval or rejection in the gifts and entertainment register.

5. Scenario's

Sample Scenarios	
Question	Answer
A key Nyrstar supplier has invited my wife and me for a golf weekend as a thank you. May I accept?	<p>No</p> <p>Accepting the invitation could compromise your and Nyrstar's integrity and independence, especially as the invitation appears to be lavish and is extended to a family member who is unrelated to the business.</p>
Can I pay for the lunch of a government official that is on-site for a meeting?	<p>It depends</p> <p>Only if it is allowed by law and the lunch is (under US/EUR 100 or AUD 150) and not extravagant or lavish.</p>
<p>Jack is abroad on a business trip and has a late dinner with a client. The client suggests they go for a drink after dinner. Jack doesn't know the city, so asks the client to recommend a bar. When they arrive at the bar, Jack realises it is a topless bar.</p> <p>What should Jack do?</p>	<p>No</p> <p>In accordance with the procedure, "adult" entertainment is never appropriate. Jack must therefore apologise to the client, explain that drinks at a topless bar are not permitted by Nyrstar policy, and suggest they find an alternative bar.</p>
A supplier of Nyrstar sends you a fruit basket for the holidays. This is the only gift you have received this year from this supplier. Can you accept it?	<p>It depends</p> <p>You can accept the basket if it is valued under US/EUR 100 or AUD 150. If it is valued over US/EUR 100 or AUD 150 per person, you will need approval from compliance.</p>
A customer sent me a gift card for US \$50 as a thank you. Can I accept it?	<p>No</p> <p>A gift card that allows you to choose from a range of goods or services is considered a cash equivalent. Accepting gifts of cash or cash equivalents is strictly prohibited regardless of the amount involved.</p>

6. Speak-Up Helpline

The key to our culture of ethical conduct is honest, transparent communication. If you have any questions or become aware of, or suspect that, a breach of this policy, has occurred or may occur in the future, you must report your concerns to your manager or to the compliance officer (compliance.officer@nyrstar.com)

Where a concern remains unresolved through the above local channels, or should you, for whatever reason and at any time, feel uncomfortable utilising the local channels for resolution of your concern, you can also raise it, also anonymous, via the ‘Speaking-Up Helpline. The helpline is managed by an external partner of Nyrstar, and can be reached 24/7 by phone and internet (www.nyrstar.ethicspoint.com).

7. Consequences

Failure to comply with this procedure and applicable laws may Nyrstar and you as an individual, to significant damages in terms of reputation and may result in disciplinary action, including termination of your employment agreement and/or legal consequences, such as penalties.

8. Key items to remember

<i>What</i>	<i>Approval needed?</i>
Accepting or offering gifts on behalf of Nyrstar < EUR/USD 100,- and AUD 150,- per person and it does not involve Politically Exposed Persons	No Generally acceptable
Accepting or offering gifts on behalf of Nyrstar > EUR/USD 100,- and AUD 150,- per person	Yes (Pre) Approval from manager and compliance
Giving of gifts and entertainment to Politically Exposed Persons on behalf of Nyrstar	Yes Pre-Approval from manager and compliance