ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

Version 1.1

CARBONIA INDUSTRIES SAC

Lima, Peru

Table of Contents

1. Introduction & Purpose
2. Scope & Applicability
3. Legal & Regulatory Framework
4. Definitions & Key Concepts
5. Policy Statement
6. Prohibited Conduct
7. Gifts, Entertainment & Hospitality
8. Political Contributions & Charitable Donations
9. Third-Party Relationships & Due Diligence
10. Roles & Responsibilities
11. Risk Management & Red Flags
12. Reporting & Whistleblowing
13. Investigations & Disciplinary Actions
14. Training & Awareness
15. Monitoring, Auditing & Continuous Improvement
16. Consequences of Non-Compliance
17. Record-Keeping Requirements
18. Annual Review & Approval
19. Templates & Forms
20. Appendices & Case Studies

1. Introduction & Purpose

Carbonia Industries SAC is firmly committed to the highest standards of integrity, ethics, and transparency in all its business dealings. The purpose of this Anti-Bribery and Anti-Corruption Policy is to establish clear guidelines and expectations for employees, management, contractors, suppliers, and third parties associated with the company.

Bribery and corruption erode trust, harm reputation, and expose the company to severe legal and financial risks. This policy outlines our zero-tolerance approach and the measures in place to prevent, detect, and respond to bribery and corruption.

2. Scope & Applicability

This policy applies to all employees, directors, officers, contractors, suppliers, consultants, and third parties acting on behalf of Carbonia Industries SAC, regardless of geographic location.

Compliance is mandatory across all subsidiaries, affiliates, and business partners. The scope includes all business activities, transactions, and interactions with government officials, private organizations, and individuals.

3. Legal & Regulatory Framework

This policy is guided by relevant international and local anti-bribery and anti-corruption laws, including but not limited to:

- The U.S. Foreign Corrupt Practices Act (FCPA);
- The UK Bribery Act 2010;
- OECD Anti-Bribery Convention;
- United Nations Convention Against Corruption (UNCAC);
- Applicable Peruvian anti-corruption legislation.

Compliance with these laws is mandatory, and ignorance of the law will not be accepted as an excuse.

4. Definitions & Key Concepts

For the purpose of this policy:

- Bribery: Offering, promising, giving, accepting, or soliciting something of value to improperly influence decisions.

- Facilitation Payments: Small, unofficial payments to expedite routine actions by officials, prohibited under this policy.

- Kickbacks: Payments made in return for favorable treatment or business advantage.

- Conflicts of Interest: Situations where personal interests interfere with professional duties.

- Improper Advantage: Any benefit not legitimately earned through normal business practice.

5. Policy Statement

Carbonia Industries SAC adopts a zero-tolerance approach to bribery and corruption. No form of bribery will be tolerated, whether direct or indirect, active or passive. All business decisions must be based on merit, transparency, and fairness. Employees and business partners must comply with this policy at all times.

6. Prohibited Conduct

The following practices are strictly prohibited:
- Offering or accepting bribes, facilitation payments, or kickbacks
- Providing or receiving extravagant gifts, entertainment, or hospitality intended to influence business decisions
- Concealing or falsifying records related to transactions
- Using intermediaries to offer or conceal bribes
- Ignoring or failing to report known incidents of bribery

7. Gifts, Entertainment & Hospitality

While modest gifts and hospitality may be acceptable in some contexts, they must never be offered or accepted with the intent to influence a decision.

Guidelines:
- Gifts must be of nominal value and culturally appropriate;

- Hospitality must be proportionate and related to legitimate business purposes;

- All gifts and hospitality must be recorded and pre-approved if exceeding set thresholds;

- Cash or cash equivalents (gift cards, vouchers) are strictly prohibited

8. Political Contributions & Charitable Donations

Carbonia Industries SAC does not permit political contributions intended to secure a business advantage. Charitable donations and sponsorships must be transparent, documented, and not used as a cover for bribery. All such contributions require approval from senior management.

9. Third-Party Relationships & Due Diligence

Third parties, such as suppliers, contractors, and consultants, can create significant bribery risks. Due diligence is required before engaging third parties. Contracts must include anti-bribery clauses, and ongoing monitoring is required to ensure compliance.

10. Roles & Responsibilities

- Management: Implement, monitor, and enforce this policy.
- Employees: Understand and comply with this policy at all times.
- Compliance Officer: Provide guidance, training, and investigate reports.
- Third Parties: Adhere to contractual anti-bribery obligations.

11. Risk Management & Red Flags

Common red flags include:
- Requests for unusually high commissions;
- Lack of transparency in transactions;
- Requests for cash payments;
- Refusal to provide documentation;
- Relationships with government officials without clear justification.

12. Reporting & Whistleblowing

Employees must promptly report any suspected bribery or corruption through the company's whistleblowing hotline or directly to the Compliance Officer. Reports will be treated confidentially, and whistleblowers will be protected from retaliation.

13. Investigations & Disciplinary Actions

All reports of bribery will be investigated promptly and fairly. If violations are confirmed, disciplinary measures may include termination, reporting to authorities, and legal action.

14. Training & Awareness

Regular training will be provided to employees and relevant third parties to ensure awareness of bribery risks, company policy, and reporting mechanisms.

15. Monitoring, Auditing & Continuous Improvement

The Compliance Department will conduct regular monitoring and auditing of business processes to detect and prevent bribery. Improvements will be made based on audit results, legal updates, and industry best practices.

16. Consequences of Non-Compliance

Non-compliance with this policy can result in severe consequences, including termination, civil liability, and criminal prosecution for individuals and the company.

17. Record-Keeping Requirements

All financial and business records must be accurate, transparent, and complete. False, misleading, or incomplete entries are prohibited. Records of gifts, hospitality, and due diligence must be maintained for audit purposes.

18. Annual Review & Approval

This policy will be reviewed annually by senior management and the Compliance Officer to ensure ongoing effectiveness and compliance with evolving legal standards.