

Anti-Bribery Statement & Policy

First Graphene Limited (Company)

1 ANTI-BRIBERY STATEMENT

It is a key Company principle to avoid any involvement in corrupt or illicit activities or conduct, and the following statement is part of how we adhere to that principle.

We will uphold all laws relevant to countering bribery and corruption, including the Bribery Act 2010 (the "**Bribery Act**"). The Company can be found criminally liable if a person associated with it bribes another person with the intention to obtain or retain business, or an advantage in the course of business, unless we have implemented procedures to prevent bribery from occurring. This statement forms part of those procedures. Breach of the Bribery Act may also lead to criminal proceedings being instigated against individual staff members in addition to the Company.

Employees' obligations under this statement have contractual effect. Breach of this statement will be viewed extremely seriously by the Company, and will normally amount to gross misconduct. For the avoidance of doubt, this policy applies to all persons working for the Company or on its behalf at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors or any other person associated with the Company, wherever located. A person 'associated' with the Company is any person who works or performs services in any capacity and in any place, for, or on behalf of, the Company. References to 'members of staff' in this statement will include any person associated with the Company.

Bribes do not have to be wholly monetary. Any kind of financial reward, or any other kind of advantage, may amount to a bribe.

Examples of what will amount to bribery are set out in this policy. However, each case will be determined on its own facts. If members of staff have any doubts about anything at all, they should speak to the Company's compliance officer. The current compliance officer is the Company Secretary (the "**Compliance Officer**").

2 BRIBING ANOTHER PERSON

The Company takes a zero tolerance approach to bribery. A bribe is offering, promising, giving or accepting any financial or other advantage, to induce the recipient or any other person to act improperly in the performance of their function, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage. No member of

staff, while in any way associated with the Company, may bribe another person (directly or through a third party), in any circumstances. In particular, no financial reward, or any other kind of advantage should be provided to another person (directly or through a third party), either:

- intending that the bribe will cause that other person to improperly perform any function of a public nature, any activity in the course of business, or any activity performed in the course of any person's employment; or
- while knowing or believing that if the recipient accepted the bribe, that in itself would amount to improper performance of any such function.

'Improper performance' includes any act or omission that breaches an expectation of good faith, impartiality or an expectation arising from a position of trust.

A payment or other advantage may still amount to a bribe even if the individual providing the advantage is not the person who receives the benefit of the improper performance. For example if you give your client's child a job in return for your client renewing his or her business with the Company.

Example of giving a bribe:

You offer a potential client a golfing weekend if it agrees to instruct the Company on some new business. This will amount to a bribe because you will be gaining a business advantage for the Company in return for the inducement to the client. Not only does this expose the Company and the client to committing a criminal offence because you have offered a bribe on its behalf, and the client has accepted or agreed to receive the bribe, but you are also personally exposed to criminal sanctions.

3 BEING BRIBED

No member of staff, while in any way associated with the Company, may request, agree to, or accept a bribe which is made with the intention that any function of a public nature, any activity in the course of business, or any activity performed in the course of any person's employment will be improperly performed, or as a reward for such improper performance.

Furthermore, no member of staff, while in any way associated with the Company, may improperly perform any function of a public nature, any activity in the course of business, or any activity performed in the course of employment, in anticipation of a bribe. Please note that simply accepting, requesting or agreeing to a bribe will amount to improper performance of a member of staff's duties.

For the above purposes, please also note that the person to whom the bribe is offered or given does not have to be the same as the person who performs the function or activity concerned, in order for a breach of this statement to occur. A breach of this statement will occur even if the bribe is received by a person other than the person who has been bribed, or who solicited the bribe.

Example of receiving a bribe:

A supplier to the Company offers you and your spouse or partner dinner at a Michelin Star restaurant but asks you to make sure that the Company renews its contract with them as a favour in return.

The contractor has offered you a bribe and has committed a criminal offence. By receiving or agreeing to accept the supplies you would be gaining a personal advantage and by making sure that the contractor's contract was renewed you would be carrying out part of your role improperly (even if the contractor might have been selected anyway). You would also commit a criminal offence.

4 BRIBERY OF A FOREIGN OFFICIAL

No member of staff, while in any way associated with the Company, may bribe or promise to bribe a foreign public official with the intention to influence the recipient in its capacity as a foreign public official and to obtain or retain business or a business advantage. Extra care must be taken when dealing with foreign public officials, particularly in relation to the provision of corporate hospitality or gifts.

Example of bribing a foreign public official:

You arrange for the Company to pay an additional payment to a foreign official to speed up an administrative process on behalf of the Company. The offence of bribing a foreign public official has been committed as soon as the offer has been made. This is because it has been made to gain a business advantage for the Company. The Company may also be found to have committed a criminal offence.

Members of staff should note that the above prohibitions reflect criminal offences under the UK's Bribery Act, and criminal proceedings may also be instigated against a member of staff if the member of staff breaches any of the above obligations and prohibitions.

Please be aware also that the Bribery Act extends to acts committed privately, as well as in the course of employment, and that a member of staff who is convicted of a criminal offence in his or her private capacity will be subject to action under the Company's disciplinary procedures. For

example if you bribe a planning official to grant planning permission in respect of an extension to your house and you are consequently convicted of a criminal offence.

On a wider note, the Company is aware that illicit or corrupt activities or conduct could be envisaged, which would go beyond the specific scope of the prohibitions set out in this statement, but which would nevertheless violate the spirit of this statement, and the Company's commitment is to avoiding activities or conduct of this kind.

Therefore, if a member of staff engages in any conduct, while in any way associated with the Company, that could be viewed as illicit or corrupt, notwithstanding that it may not fall within the prohibitions set out above, this will be addressed through the Company's disciplinary procedures, and may amount to gross misconduct.

5 CORPORATE HOSPITALITY AND GIFTS

This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties, for the purposes of:

- a) Establishing or maintaining good business relationships;
- b) Improving or maintaining our image or reputation; or
- c) Marketing or presenting our products and/or services effectively.

The giving or receipt of gifts is not prohibited, if the following requirements are met:

- a) It is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- b) It complies with all applicable law;
- c) It is given in the Company's name, not in the member of staff's name (and the remainder of the conditions outlined in this section are met);
- d) It does not include cash or a cash equivalent (such as gift certificates or vouchers);
- e) It is appropriate in the circumstances. For example, it is customary for small gifts to be given at Christmas time;
- f) Taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;

- g) It is given openly, not secretly; and
- h) Gifts should not be offered to, or accepted from, government or council officials or representatives, or politicians or political parties, without the prior approval of the Non-Executive Directors or in the case of any Non-Executive Director, the Chairman of the board.

Promotional gifts of low value such as branded stationary to or from existing customers, suppliers and business partners will usually be acceptable.

Reimbursing a third party's expenses, or accepting an offer to reimburse our expenses (for example, the costs of attending a business meeting) would not usually amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as cost of an extended hotel stay) is not acceptable.

We appreciate that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

6 FACILITATION PAYMENTS

Facilitation payments are small payments made to secure or speed up routine actions, usually by public officials, such as issuing permits, immigration controls, providing services or releasing goods held in customs.

It is the Company's policy that it will not - and all members of staff should not - make facilitation payments and should avoid any activity that might lead to, or suggest, that a facilitation payment will be made by or on behalf of the Company.

All payments made on the Company's behalf should be duly authorised by the Compliance Officer and evidenced by a formal receipt issued by the payee, detailing the nature and purpose of the payment. Any uncertainty or concerns in relation to any payment should be referred to the Compliance Officer before any payment is made.

7 POLITICAL AND CHARITABLE DONATIONS

It is the Company's policy not to make contributions to political parties, to the campaign funds of any person standing for election or to lobbying or pressure groups and no member of staff shall make or agree to make such a contribution on the Company's behalf.

The Company will only make charitable donations of any type if they are legal and ethical and will keep a record of those donations that are made. No such donation should be made or agreed to be made by a member of staff on behalf of the Company without the prior written approval of the Compliance Officer.

The Company will not make a charitable donation where there are concerns that the donation may be considered a way to disguise bribery or if such a donation could lead others to infer that the Company uses charitable donations in order to influence or reward third parties with whom the Company has business connections.

8 RECORD KEEPING

All payments made or received on behalf of the Company shall be accounted for and properly recorded in the Company's financial records in accordance with applicable laws.

No accounts must be kept 'off the record' to allow for, or to conceal, improper payments.

9 YOUR RESPONSIBILITIES

All members of staff must ensure that they read, understand and comply with this policy. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Company or under the Company's control. All members of staff are required to avoid any activity that might lead to, or suggest, a breach of this policy.

Any member of staff who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

The Company may terminate its relationship with other individuals and organisations working on our behalf if they breach this policy.

10 COMMUNICATIONS AND REPORTING BRIBERY

All members of staff are required to inform the Company if they believe that another member of staff, or any person or business with whom the Company deals or is associated, is or may be offering, receiving or agreeing to receive bribes. In the first instance the member of staff should communicate their belief to the Compliance Officer in the Company for further investigation and action.

Similarly, all members of staff should talk to their line manager or the Compliance Officer if they have any questions or if they are unsure whether giving or receiving any kind of financial reward or other advantage may amount to a bribe or otherwise breach this statement.

A member of staff raising a concern that bribery is or may be taking place, even if the concern is subsequently determined to be unfounded, will not be penalised in any way unless the concern was not raised in good faith.

The board or a committee of the board must be informed of any material breaches of this policy.

11 TRAINING

Regular training on this policy will be provided as necessary to all members of staff.

12 MONITORING AND REVIEW

The board will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

This policy does not form part of any employee's contract of employment and it may be amended at any time.