

**GLOBAL FINANCIAL ACCOUNTING, REPORTING  
AND GENERAL MANUAL**

<b>TITLE:</b>	GLOBAL ANTI-CORRUPTION POLICY
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<b>ISSUED BY:</b>	C. Boyd
<b>AUTHORIZED BY:</b>	R. Hochman
<b>LEGAL REVIEW BY:</b>	G. Yeargin (Jones Day), J. Macdonald

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**I. Introduction**

The purpose of this Global Anti-Corruption Policy (hereafter "Policy") is to ensure that all employees, officers, directors, agents, joint venture partners and anyone acting on behalf of Harsco ("Associates") worldwide, understand and comply with applicable laws and Company policy against bribery and corruption.

Harsco is committed to full compliance with the letter and the spirit of anti-corruption law and regulations in all countries where we conduct business. Corruption violates public trust, threatens national and international economic and social development and substantially impedes fair trade. A global framework of international and country-based law exists to prohibit corruption and bribery of Government Officials, including the United States' Foreign Corrupt Practices Act (FCPA) and the Organisation for Economic Co-operation and Development's Anti-Bribery Convention (the OECD Convention). The United Kingdom's Bribery Act of 2010 (UKBA) and Brazil Clean Companies Act (BCCA) prohibit both bribery of Government Officials and commercial bribery.

Harsco Corporation and all of its subsidiaries and affiliated entities covering all Business Units (hereafter, "Harsco" or "the Company") is committed to being a good corporate citizen in every country in which it does business and will act legally, ethically and in accordance with the Harsco [Code of Conduct](#). All Associates are expected to conduct Company business legally and ethically. Improper gifts, payments or offerings of anything of value or from anyone, and/or the use of Company funds or assets for any unlawful, improper or unethical purpose is strictly prohibited.

Pursuant to these anti-corruption laws and regulations, it is generally a crime to give, pay, or promise Anything of Value (as defined in Section IV) in order to influence an act or decision to obtain, retain and/or direct business, or to secure an improper advantage of any kind. Under some anti-corruption laws and regulations, it is also a crime to accept Anything of Value in such circumstances. Importantly, a number of countries' anti-corruption laws, including the FCPA and the UKBA may apply to corruption anywhere in the world.

This Policy sets forth Harsco's global minimum standards with regard to anti-corruption and related issues. This Policy is designed to facilitate compliance with all applicable anti-corruption laws and regulations, and ensure consistent treatment of anti-corruption risks at Harsco. In addition, each Harsco operation must take into consideration any local laws and regulations that may impose additional or

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different requirements on a business. To the extent local laws or regulations establish a different standard than contained in this Policy, the business must adhere to the more stringent standard. If it is unclear which standard is more stringent, please consult with the Global Compliance & Ethics department (GCE) to determine a proper course of action.

### II. Scope

- 2.1 This Policy is applicable to all Associates worldwide, including those of wholly-owned subsidiaries, those in which Harsco has controlling ownership or interest, and those who act on behalf of or in consultation with or provide services to Harsco including international agents, joint venture partners, representatives, contractors and consultants.
- 2.2 This Policy extends to all operations in all geographies conducted by any department, subsidiary, agent, consultant, representative, joint venture partner, and other business enterprise in which Harsco is a participant.

### III. Responsibilities

- 3.1 All Associates acting on behalf of Harsco must abide by this Policy and all legal regulations associated with this Policy.
- 3.2 Harsco's GCE department is responsible for periodic review of this Policy, issuing updates as necessary, and enforcing this Policy.
- 3.3 Compliance with this Policy will be evaluated and monitored by GCE and Internal Audit.

### IV. Definitions

**Anything of Value:** Includes but is not limited to cash or cash equivalents, gifts, services, employment offers, loans, travel expenses, entertainment, political contributions, charitable donations, subsidies, per diem payments, sponsorships, or any other asset, even if nominal in value.

**Brazil Clean Companies Act (BCCA):** The Brazilian law that prohibits direct and indirect acts of bribery or attempted bribery of Brazilian public officials or foreign public officials. This includes not only the giving or offer of bribes, but also the giving of any financial or other support to the bribe activity or its concealment, and the use of third parties to execute or assist the bribe scheme. The law also forbids bid rigging and fraud in the public procurement process. Lastly, the law prohibits any tampering with government investigations.

**Business Unit:** The divisions within Harsco Corporation: Metals & Minerals, Rail, Industrial, Corporate.

**Facilitation Payments:** Unofficial payments made to a public official (or other person) in order to secure or expedite the performance of a routine or necessary action. They are sometimes referred to as "grease" payments.

**Foreign Corrupt Practices Act (FCPA):** The U.S. law that prohibits corrupt payments to non-U.S. Government Officials in order to acquire or retain business or to obtain any improper advantage. The FCPA also requires covered corporations to create and maintain accurate books and records that fairly present transactions of the corporation, and to establish an adequate system of internal accounting controls.

**Government Official:** Includes but is not limited to:

- Any person acting in an official capacity for or on behalf of any government, government entity or public international organization (e.g., an official advisor to the government);
- Directors, officers, employees of state-owned or state-operated entities;
- An officer or employee of an international organization (e.g., the World Bank or the United Nations);
- A member of the royal or ruling family of a country;

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- An officer or employee of a political party or any party official;
- A political party;
- Any candidate for political office

Please note that benefits to the family member of a Government Official are construed as benefits to a Government Official. **Family Members** include the children, spouse, grandparents, parents, siblings, nieces, nephews, aunts, uncles, first cousins and the spouse of any of these people, and any other individuals who share the same household as the person in question.

**Representatives:** Includes *but is not limited to:* agents, contractors, consultants, customs brokers, distributors, freight forwarders, sales representatives, suppliers, vendors, and other partners. Also referred to as “third party Representatives”.

**United Kingdom Bribery Act (UKBA):** The UK law that criminalizes the offering, promising, giving or requesting, accepting or agreeing to receive a bribe between private commercial parties as well as with public officials and has a corporate offence of failing to prevent bribery. The UK law applies to bribes made in the UK by an individual or a company (including a foreign company) and bribes made overseas by a UK company, UK citizens, UK passport holders and residents. It also covers bribes made by third parties anywhere in the world on behalf or for the benefit of any company that does business (or a part of its business) in the UK.

### V. Policy

Harsco strictly prohibits its Associates from authorizing, approving, giving, offering, promising or paying Anything of Value to anyone with the purpose to obtain or retain business or otherwise secure an improper advantage (whether from that person or from anyone else). Harsco also strictly prohibits its Associates from accepting Anything of Value given, offered, promised or paid by anyone in such circumstances.

#### 5.1 Permitted Interactions with Government Officials

Payment for gifts, entertainment (including meals) and/or travel for Government Officials must be approved before it can be offered or made and notification to GCE is required in any circumstance where a benefit is provided to a Government Official. As described in [Appendix B](#), this pre-approval is obtained by completing Form A: Approval Form for Gifts, Entertainment (Including Meals) and Travel Provided to Government Officials, which can be found at [Appendix A](#). Under all circumstances, gifts, entertainment (including meals) and/or travel for Government Officials and payments related to these must be: (a) reasonable in cost and not frequent; (b) permissible under Harsco’s Code of Conduct and local law; (c) transparent to all relevant parties; and (d) never given in exchange for favorable treatment or business for Harsco.

**Travel and Hospitality (including associated entertainment and meals).** Payments associated with travel and associated entertainment (including meals) are permissible if reasonable and bona fide expenditures are directly related to promotional or training activities, or the execution or performance of a contract or agreement with a government agency. They must be given in compliance with this Policy, the approval and notice procedures described above, and the [Travel and Entertainment Expense Management and Reporting policy](#). In addition, the Company must arrange and pay the service providers directly (e.g. airlines, hotels, restaurants) or shall pay a travel agent it has selected to make arrangements. All payments and/or reimbursements must be supported by receipts of the actual provider of travel or hospitality (including associated entertainment and meals). Invoices from agents, including travel agents, will not be sufficient. Under no circumstances shall the Company provide money to Government Officials directly or allow the Government Officials to make their own arrangements. An Employee must be present during all entertainment or leisure activities.

**Gifts and Entertainment (not associated with travel).** In many countries, gifts and entertainment play an important role in business protocol, custom, and developing and maintaining business relationships. Gifts, however, may run afoul of the law and must be given wisely, provided only as a basic matter of courtesy, kindness and respect or for special occasions. Gifts of cash, cash-equivalence (gift cards), or

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luxury gifts must never be given. Further, ill-considered entertainment may expose Harsco to liability. Gifts and entertainment must be of the type that are unlikely to improperly influence an official. Gifts and entertainment must be given in compliance with this Policy, the approval and notice procedures described above, and the [Travel and Entertainment Expense Management and Reporting policy](#). All payments and/or reimbursements must be supported by receipts. Invoices from agents will not be sufficient

**Third Parties.** If any third parties are covering any travel, hospitality, gift, or entertainment expenses in connection with their work for Harsco, those expenses must be given in compliance with this Policy, the approval and notice procedures described above, and the [Travel and Entertainment Expense Management and Reporting policy](#). These expenses must be included in any Form A submitted in connection with a request, whether or not Harsco will be reimbursing them.

**No Use of Personal Funds.** Employees must not pay for Company-related travel, hospitality, gifts, or entertainment using personal funds without seeking reimbursement directly from the Company. Employees must detail all expenses associated with any such travel, hospitality, gifts, or entertainment in seeking approval and reimbursement in accordance with the [Travel and Entertainment Expense Management and Reporting policy](#).

### 5.2 Political Contributions and Activities

In accordance with the [Harsco Code of Conduct](#), Harsco will never use company funds, equipment, products, facilities or other gifts or benefits to seek an illegal or improper advantage with any public official, candidate, or political organization. Associates are also prohibited from making political contributions, due to their value or frequency, that could create even the appearance of a conflict of interest. Thus a contribution requested and made to a political candidate who may have the ability to direct business to Harsco is strictly prohibited.

### 5.3 Charitable Contributions

While donations to charitable organizations ordinarily are regarded as good corporate citizenship, those made to organizations in which Government Officials possess a role, such as trustee, cause concerns under international anti-corruption laws. Similarly, the FCPA and the U.S. authorities have taken the position that donations made to a charity associated with a Government Official are considered a benefit for that Government Official. In accordance with the aforementioned positions, any donation made to a charity associated with a Government Official must have prior written approval by GCE.

### 5.4 Any Other Payment or Benefit to Government Officials

The above sections are designed to provide examples and procedures for specific situations. Any other payment or benefit of any sort given to a Government Official must be pre-approved in writing by GCE.

### 5.5 Third Parties

It is Harsco's policy to use third party Representatives if, on the basis of sound business judgment and after considering the customer country environment, it is necessary and appropriate to supplement Harsco's own sales or project development efforts. The engagement of Representatives must be conducted in accordance with Harsco's policy on [Consultants, Business Advisors and International Business Representatives](#).

Improper activities cannot be done indirectly through Representatives. Employees must take reasonable steps to ensure that Representatives understand that Harsco expects them to act with the same level of honesty and integrity as Harsco in any activity engaged in, for or on behalf of Harsco.

The Company must be careful to avoid situations involving Representatives that may lead to a violation of the law. It is entirely unacceptable for a Representative to provide or offer to provide any payment or Anything of Value to anyone on behalf of Harsco in attempts to acquire or preserve business or obtain an improper advantage. The same prohibitions and prohibited behaviors that apply to all Associates of Harsco apply to all Representatives of Harsco worldwide. Harsco is responsible for the activities and actions taken by Representatives on its behalf. To manage risk in this area, Harsco must perform adequate due diligence on all prospective Representatives in accordance with the [Compliance Due Diligence Policy](#).

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In addition, all agreements with Representatives must be in writing and follow Harsco contract procedures. Any agreement with a Representative should contain relevant anti-corruption language, included by example as [Appendix C](#).

### 5.6 Mergers and Acquisitions

Any prospective merger or acquisition must consider corruption risk via performance of due diligence on the business partners, and any agreements must address corruption policies. Accordingly, when Harsco is engaged in proposed mergers or acquisitions, it shall take reasonable and appropriate steps to identify any past anti-corruption law violations and risky conduct by a merger or acquisition target.

For more information regarding the merger and acquisition process see Harsco's policy on [Acquisitions and Divestitures – Approvals, Criteria and Process](#).

### 5.7 Facilitation Payments

Payments to Government Officials to expedite or secure performance of legitimate government administrative processes (e.g., customs clearances, visa processing, etc.) are strictly prohibited. If an Associate of Harsco believes a Government Official is demanding and/or requesting a Facilitating Payment, he or she must notify GCE immediately.

There are certain rare exceptions to the FCPA and other anti-corruption laws that permit facilitation payments under circumstances where life or limb are at imminent danger or harm if the payment is not made. Any Associate who makes a payment under these circumstances must report it immediately to GCE.

### 5.8 Commercial Bribery

Just as Harsco strictly prohibits bribery of a Government Official, so it prohibits the bribery of private persons or entities. Making payments to win business or to resolve contractual, legal, or regulatory issues are examples of actions that would constitute a violation of this Policy. Under no circumstances should an Associate offer, promise, give or pay a non-government client representative Anything of Value in return for any improper advantage. If an Associate becomes aware of a situation involving commercial bribery, he/she should immediately notify GCE.

### 5.9 Financial and Accounting Controls

In accordance with all relevant rules and regulations and Harsco's internal procedures, all books, records and accounts must be maintained in reasonable detail to accurately and fairly reflect all transactions and dispositions of assets. Additionally, adequate internal controls must be maintained to provide reasonable assurance that all transactions are being performed ethically and in compliance with applicable Harsco policies. False, misleading, incomplete, inaccurate or artificial entries in Harsco's books and records are strictly prohibited.

### 5.10 Warning Signs

This is a non-exclusive list of warning signs that Associates should be aware of in order to report situations that may raise issues under the FCPA, international anti-corruption laws, or this Policy. If you become aware that any of the following warning signs exist, contact GCE immediately.

1. Cash payments to or on behalf of Government Officials.
2. Requests for payments to be made to a Representative not referenced in the contract/agreement or involving several individuals and companies where there is no obvious connection between them.
3. Lack of adequate records and expense reporting with respect to any payment.
4. Direct payments in respect of travel and hotel expenses, when payment directly to the travel vendor or the employer is practical.
5. Payments to accounts in countries other than where the recipient or intermediary resides or regularly works, particularly in the case of Government Officials.
6. Transactions which have shell companies as middlemen, especially those domiciled in secrecy havens.

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7. Payments to officials or intermediaries that appear to exceed the fair market value of legitimate services performed or that exceed local norms.
8. In connection with meetings attended by Government Officials, paying for anything but reasonable accommodations, meals and entertainment.
9. Sponsoring travel to resort settings, paying for excessive periods for “breaks” or sightseeing.
10. Payments for travel, accommodations, meals or entertainment for an individual’s relatives, friends or other persons affiliated with that individual.
11. Requests for donations to be made to a private charity (whether or not the individual making the request controls the charity or sits on its board).
12. A suggestions that some form of “thank you” would be appropriate in return for past or future business or that a payment of a fee would help “oil the wheels” of a commercial deal.
13. The hiring of or provision of payments or anything of value through other means to a Government Official’s relatives or other favors for the official, or the official’s relatives.
14. Use of unverified intermediaries, agents, distributors, brokers or other third-parties, or the failure to include required terms in the contract with them.
15. Structuring payments in a manner intended to circumvent or avoid grants of authority or delegations of authority.
16. Other techniques designed to disguise the nature of payments, such as describing entertainment as “education”.
17. A proposed vendor has no prior relationship with Harsco and is recommended by an Associate when there is no obvious benefit to Harsco or when other vendors offer better and cheaper services.
18. A proposed vendor has no prior relationship with Harsco and is recommended by a Government Official.
19. An associate who is on commission brings in an unusually high volume of business.
20. Non-disclosure of payments to the recipient’s employer(s).
21. Doing business where unofficial/off the record payments or gifts are said to be an unavoidable part of local custom and business custom.

### 5.11 Checklist

The following is a checklist of questions to consider before making or authorizing any payment or benefit that may be covered by international anti-corruption laws. This list is not intended to be exhaustive. If there are any doubts about a proposed transaction, the transaction should be referred to GCE.

Associates are responsible for planning transactions in a manner that grants GCE adequate time to review, investigate and evaluate proposed transactions before relevant deadlines expire.

1. Is a “Government Official” as defined broadly by this Policy and relevant anti-corruption laws, or a relative of a Government Official involved? If the proposed payment or benefit will be made to or conferred on an official or relative, for example, if a payment will be made only to the government itself, there is no FCPA issue and the transaction may proceed provided that it complies with other laws and Company policies. If an official or relative is involved, an anti-corruption analysis must be conducted.
2. Does local law or a Harsco policy, directive, procedure or work practice prohibit the contemplated transaction? If it does, there is no need to conduct an anti-corruption analysis. The transaction simply should be stopped.
3. Is the payment in connection with a meeting to educate a Government Official about Harsco products? In that case, reasonable payments directly related to the official’s attendance at the event may be made if they meet the requirements detailed in this Policy.
4. Is the payment for the execution or performance of a contract, such as a contract for or with a consultant that has a legitimate business purpose for the Company? In that case, payments at a fair market rate for the services may be made, so long as permitted by law and relevant regulations and if they meet the requirements detailed in this Policy.
5. Is the payment or thing of value intended to induce the Government Official, in breach of an ethical duty, to purchase Harsco products, or to take other official action to benefit the Company, in exchange for such payment or benefit? In that case, the transaction must be stopped.
6. Could the payment or thing of value reasonably be perceived as inducing the Government Official to take action that will benefit Harsco for reasons other than the merits of Harsco’s products or



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positions? Would you be concerned if this payment were reported on the front page of the local newspaper? If the answer to either of these questions is yes, consult GCE to determine whether you may proceed with the transaction.

7. Are any warning signs present in the proposed transaction? If so, the transaction should not proceed, or, at a minimum, the transaction must be reported to and approved in writing by GCE before it may proceed.
8. Will all payments and their purposes be accurately reported on the Company's books and records? If not, the transaction should not proceed.
9. Has the transaction been governed and will it continue to be governed by appropriate financial controls to assure that Company funds are dispensed in accordance with management directives? If not, the transaction should not proceed.

### VI. Penalties

Criminal, civil, and regulatory penalties can be incurred by Harsco and its employees and representatives, including imprisonment and/or fines. Violations or the perception of violations of anti-corruption laws can be damaging not only to Harsco's reputation, but to all Associates' and Representatives' reputations as well. In compliance with all of these regulations, such an action or omission on the part of an Associate that fails to follow the letter or the spirit of anti-corruption laws will be considered a violation of this Policy. Should a violation occur, proper disciplinary actions will be taken by Harsco up to and including termination of the Associate(s) or Representative(s).

### VII. Reporting Violations and Requests for Bribes

Associates have a duty, in accordance with [Harsco's Code of Conduct](#), to prevent breaches of this Policy by reporting questionable activity that may fail to comply with this Policy. Reports should be made to a superior, to GCE, or to the **Harsco Integrity Line** where reports can be made anonymously where legally allowed. Failure to report such information is cause for disciplinary action against the employee up to and including termination. In accordance with the terms of Harsco's [Code of Conduct](#) Harsco will not allow any retaliation or harassment against any director, officer or employee who in good faith raises a concern or reports a violation.

Any questions concerning this Policy, anti-corruption laws, associated internal procedures, or anti-corruption in general, should be addressed to GCE.

### VIII. References

- 8.1 [Harsco Code of Conduct](#)
- 8.2 [Consultants, Business Advisors and International Business Representatives \(General Manual\)](#)
- 8.3 [Travel and Entertainment Expense Management and Reporting \(General Manual\)](#)
- 8.4 [Compliance Due Diligence Policy](#)

### IX. Appendices

Appendix A – [Form A: Approval Form for Gifts, Entertainment and Travel Provided to Government Officials](#)

Appendix B – [Guidelines for Gifts, Entertainment and Travel Provided to](#)

Appendix C – [Sample Template of Compliance Language for Contracts or Agreements with Representatives](#)

# Appendix A

## Form A

### APPROVAL FORM FOR GIFTS, ENTERTAINMENT AND TRAVEL PROVIDED TO GOVERNMENT OFFICIALS

THIS FORM MUST BE USED TO OBTAIN APPROPRIATE MANAGEMENT APPROVAL AND COMPLIANCE ENDORSEMENT FOR ENGAGING IN CERTAIN INTERACTIONS WITH GOVERNMENT OFFICIALS OR MAKING NON-US CHARITABLE CONTRIBUTIONS AS REQUIRED BY HARSCO'S ANTI-CORRUPTION POLICY. NOTE: NOTHING CAN BE GIVEN TO A GOVERNMENT OFFICIAL FOR THE PURPOSE OF INFLUENCING ANY OFFICIAL FOR THE PRUPOSE OF OBTAINING OR RETAINING BUSINESS, OR SECURING ANY IMPROPER ADVANTAGE. PLEASE CONSULT WITH THE OFFICE OF GLOBAL COMPLIANCE & ETHICS (GCE) SHOULD YOU HAVE ANY QUESTIONS OR UNCERTAINTIES REGARDING THE INFORMATION REQUESTED IN THIS FORM.

Please reference *Decision-making Guidelines for Gifts, Entertainment and Travel Provided to Government Officials Matrix*.

SUBMITTING PERSON:	DATE OF SUBMISSION:
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TYPE OF INTERACTION: Please enter approximate amounts in U.S. Dollars

EXPENSE TYPE	EXPENSE	AMOUNT PER PERSON (USD)	NUMBER OF PERSONS	TOTAL AMOUNT (USD)
Gifts, Meals, Hospitality & Entertainment	Gifts   Gift Type:			
	Meals / Hospitality			
	Harsco logo items			
	Entertainment at widely-attended events			
	Per diem amount			
	Incidentals			
Travel & Lodging	Airfare			
	Ground transportation			
	Lodging			
Other	Conference / Instructional course fees			
	Scholarship / Charitable contribution			
<b>Total Expense</b>				
<b>If amount per person exceeds \$100 USD, Global Compliance &amp; Ethics (GCE) must sign Approval Form prior to the requester offering or incurring the expense. For any expense in the <i>Travel &amp; Lodging</i> or <i>Other</i> categories, Global Compliance &amp; Ethics must sign Approval Form prior to offering or incurring the expense.</b>				

PLEASE COMPLETE ALL SECTIONS ON PAGE 1 AND 2

1. RECIPIENT(S)

FIRST NAME	LAST NAME	TITLE	COMPANY	TYPE OF ENTITY	COUNTRY
Example: Jon	Lim	Operations Manager	Ningbo Steel	State-Owned	China

2. BUSINESS RELATIONSHIP OF THE OFFICIALS TO HARSCO?

3. ANY PERSONS ACCOMPANYING THE GOVERNMENT OFFICIALS WHOSE EXPENSES ARE TO BE PAID FOR BY THE COMPANY?



## **Appendix A**

4. IF REQUEST INVOLVES TRAVEL, WHO SELECTED THE INDIVIDUALS TO PARTICIPATE?

5. EXISTING CONTRACT/CONTRACTUAL OBLIGATIONS, IF ANY

6. BUSINESS PURPOSE OF THE PROPOSED INTERACTION

7. HOW THE REQUEST WAS RECEIVED (State name, position, and company/organization of the person who requested the interaction)

8. DETAILED PROPOSED SCHEDULE, INCLUDING DESCRIPTIONS AND DATES OF BUSINESS MEETINGS, TRAVEL (ARRIVAL AND DEPARTURE TIMES AND CITIES) AND ENTERTAINMENT  
(Schedule may be attached)

9. HARSCO ENTITY MAKING PAYMENTS/REIMBURSING EXPENSES

10. NAMES OF COMPANY EMPLOYEES WHO WILL ACT/ACTED AS HOSTS

11. PROPOSED PAYMENT METHOD (check all that apply. If more than one box is checked, indicate which payments/expenses are to be paid in the manner indicated)

- Items to be paid to Recipient(s) indicated in Item#1 above
- Items to be paid to third party vendors
- Items to be reimbursed to Recipient(s) upon presentation of receipts

12. GIFT/CONTRIBUTION RECORD OF PREVIOUS 12 MONTHS OF THE PROPOSED RECIPIENT(S)

13. NUMBER OF TIMES ENTERTAINED/HOSTED IN THE SAME CALENDAR YEAR

14. IS AN AGENT OR ANY OTHER THIRD PARTY COVERING ANY PORTION OF EXPENSES RELATED TO THIS REQUEST? IF YES, PROVIDE DETAILS.

15. ADDITIONAL INFORMATION ABOUT INTERACTION (Describe below any additional relevant information not requested above)

<b>Approval Signatures</b>	
<b>Local Manager:</b>	<b>Date:</b>
<b>Regional Division Controller:</b>	<b>Date:</b>
<b>Global Compliance &amp; Ethics:</b>	<b>Date:</b>

## Appendix B

### Guidelines for Gifts, Entertainment and Travel Provided to Government Officials

Decision-making Guidelines for Gifts, Entertainment and Travel Provided to Foreign Officials		Level of Pre-approval			Documentation Required		
		Local Manager	Regional Division Controllers	Global Compliance	Copy of Form A** submitted to GC within 7 days following local management & Regional Division Controllers	Form A submitted to GC no less than 7 days prior to offering or incurring expense	Travel & Entertainment Reimbursement form***
Expense Type	Amount (USD)*						
Gifts, meals, hospitality & entertainment	Under \$100 total per person	X	X		X		X
Gifts, meals, hospitality & entertainment	Over \$100 total per person	X	X	X		X	X
Travel or lodging	Any value	X	X	X		X	X
Scholarship or charitable contribution Conference or instructional course fees	Any value	X	X	X		X	X

\*The TOTAL amount per person of any combination of expense types should be used to determine required pre-approvals  
 \*\*Form A refers to the *Approval Form for Gifts, Entertainment and Travel Provided to Foreign Officials*  
 \*\*\*Travel & Entertainment Reimbursement form to be completed and submitted through normal reimbursement process

## Appendix B

### Guidelines for Gifts, Travel and Entertainment Involving Government Officials

#### I. Purpose

As outlined in Harsco's **Global Anti-Corruption Policy**, it is the Company's policy to ensure that all employees, officers, directors, agents and anyone acting on behalf of Harsco worldwide, understand and comply with applicable laws against corruption. This includes making sure that any Gifts, Travel and/or Entertainment Harsco provides to Government Officials is in compliance with legal requirements.

#### II. Government Official

Includes but is not limited to:

- Any person acting in an official capacity for or on behalf of any government, government entity or public international organization (e.g., an official advisor to the government);
- Directors, officers, employees of state-owned or state-operated entities
- An officer or employee of an international organization (e.g., the World Bank or the United Nations);
- A member of the royal or ruling family of a country;
- An officer or employee of a political party or any party official;
- A political party;
- Any candidate for political office

Please note that benefits to the family member of a government official are construed as benefits to a government official. **Family Members** include the children, spouse, grandparents, parents, siblings, nieces, nephews, aunts, uncles, first cousins and the spouse of any of these people, and any other individuals who share the same household as the person in question.

#### III. General Requirements

Multiple meals or entertainment for the same Government Official(s) should be avoided, as frequent meals or entertainment can be a warning sign of improper conduct or be perceived as a means to influence the decision making.

##### A. Travel, Hospitality and Entertainment

Providing travel, lodging and hospitality for Government Officials is permissible so long as the expenses are directly related to the promotion, demonstration or explanation of Harsco's products and services. Travel expenditures must also be consistent with local laws and must never be given in exchange for favorable treatment for Harsco or for any improper business advantage. The provision of these expenditures must never be conditioned on any action by a Foreign Official.

##### Business Purpose

- Harsco will only pay for reasonable and legitimate travel expenses associated with travel directly related to:
  - the promotion, demonstration, training or explanation of Harsco products or services; or
  - the execution or performance of a contract or agreement with a government or an agency or entity owned or controlled by a government.
- The direct relationship between the travel and the business purpose must be documented by completion of [Form A](#).
- The trip should not exceed the number of days reasonably required to fulfill the stated business purposes.

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- The travel must be to a location that has a clear connection to the business purpose of the trip. The travel may include day trips to local attractions within 150 miles of the location of the meeting so long as Harsco employees accompany the officials to discuss and promote business, and the day trips occur in off-hours in between business meetings.
- Harsco must not select the officials who will be traveling; this selection must be made by the entity employing the officials, and documentation of the same must be procured by the employee sponsoring their travel.
- Harsco will only pay for expenses associated with Government Officials; the company cannot cover expenses for spouses, family members, or guests.

### Expenses

- Harsco will only cover reasonable and modest costs associated with airfare, lodging, meals, ground transportation, and entertainment planned in advance of the trip, when it accompanies authentic and essential business (bona fide) discussions.
  - Harsco will only provide payment for economy-class airfare.
  - Harsco will only provide payment for business level lodging accommodations (examples include Marriott, Hampton Inn).
  - Harsco will only cover reasonable expenses associated with ground transportation, including costs associated with bi-lingual drivers, as appropriate. These expenses should be capped at \$200 per day, per group.
  - Harsco will cover reasonable expenses associated with meals during these trips. Breakfast and lunch should not exceed \$25 per person and dinners should not exceed \$50 per person.
  - Limited, reasonable expenses tied to entertainment that is unlikely to improperly influence an official are allowable so long as they are specifically pre-approved in accordance with Harsco's Anti-Corruption Policy.
  - Harsco can cover the expenses of souvenirs or other gifts of nominal value (\$20 or less or gifts that reflect the company's business or bear the company's logo) given during these trips to the extent that they meet Harsco's Anti-Corruption Policy (examples include Harsco logo shirts, hats or tote bags).
  - Expenses should be paid directly by Harsco to the service providers; in circumstances where this is not possible, Harsco may reimburse legitimate travel expenses upon presentation of a receipt. If reimbursements are given, they must be provided to the official's employer and not to the official.
  - Per diem payments, daily allowances, spending money, or cash payments to traveling officials are generally prohibited. In extraordinary, limited circumstances, exceptions to this prohibition may be granted, subject to special conditions, and only with prior approval by Global Compliance and Ethics ("GCE") and confirmation that the per diem does not violate local laws of the Foreign Official's home jurisdiction.
  - All recording of actual expenditures covered by Harsco must be accurately recorded in a manner that is transparent to Harsco.

## **Appendix B**

- No expense can be paid if prohibited by applicable local laws.
- Meals and entertainment should not be lavish or extravagant by reference to local standards.
  - Under no circumstances should an employee provide meals or entertainment in excess of \$100 USD per recipient without obtaining pre-approval in accordance with [Appendix B: Decision-making Guidelines for Gifts, Entertainment and Travel Provided to Government Officials](#).
  - Even in the most expensive of locales, meals and entertainment valued over \$200 USD per person should not be given, and if submitted for approval, will likely not be approved.
- In addition to the requirements in the Global Anti-corruption Policy, if an expense exceeds any of the above caps or guidelines, advance approval is required from GCE.

### Agenda

- A detailed, day-by-day agenda must be prepared for each trip involving Government Officials.
  - Each day, other than travel days, should have a minimum of 6 hours of bona fide business-related activity.
  - Attendance by Government Officials at business activities should be mandatory and monitored, with deviations reported immediately to GCE.
  - Harsco will not compensate Government Officials for side trips or extra days, nor pay for or reimburse any expenses that are not directly linked to substantial and bona fide business activities.
  - Harsco may provide lodging for one (1) overnight stay in a city other than a final business location if there are no direct flights (or if direct flights are cost-prohibitive) from the official's location to the final business location, or if total travel time from the official's location to the final business location exceeds twelve (12) hours. One (1) overnight stay similar to the above is also permitted for the return trip if there are no direct flights (or if direct flights are cost-prohibitive) or if total travel time exceeds twelve (12) hours. These overnight stays should be taken in the most logical location given travel routes, and should avoid tourist destinations.
  - Trips should generally avoid weekends. Harsco will not pay for expenses associated with days that do not involve business-related activities or associated travel. If a trip requires travel or a stay over a weekend, contact GCEREview.

### Pre-Approval Required

- Trips and their associated activities and expenses must be pre-approved by.
  - A package containing the following must be provided to 30 days prior to the planned trip:
    - Completed [Form A](#)
    - Detailed Agenda
    - Documentation of the selection of travelers by the Government agency
  - No bookings or reservations that require any deposits or other costs may be made until the trip is approved by GCE.

## Appendix B

### B. Gifts

- Gifts should be tasteful, of modest value, and consistent with the status of the recipient. In no case should a gift be so great in value as to permit interpretation as a bribe or improper payment, or compensation.
  - Gifts over \$50 USD are discouraged
  - Before any gift is given, that country's laws and customs must be carefully examined. Local law must not be violated when giving gifts.
  - When possible, the gift should contain the Harsco logo.
  - Extra care should be taken to ensure that the recording of the expenditure associated with any gift is accurate and clearly reflects the purpose of the expenditure.
  - Gifts valued over \$200 USD per person should never be given, and if submitted for pre-approval, will most likely not be approved.
  
- Guidelines related to Government Officials specifically.
  - Prior to offering a gift, Harsco employees must complete [Form A: Approval Form for Gifts, Entertainment and Travel Provided to Government Officials](#) seen in [Appendix A](#) for prior-approval at least 14 days before the expenditure is expected to be incurred. Consult [Appendix B: Decision-making Guidelines for Gifts, Entertainment and Travel Provided to Government Officials](#) for guidance on approver levels.
  - Harsco employees should avoid giving multiple gifts to a particular Government Official. For example, no more than one gift should be given by Associates to an employee of a government-owned enterprise in connection with a customary holiday, such as the Chinese New Year. Similarly, multiple gifts generally should not be given to one Government Official over the course of a year. If multiple gifts are given to one Government Official over the course of a year (for example, small gifts given in connection with multiple holidays), the cumulative value of all the gifts should not exceed \$100 USD. Multiple gifts to Family Members of the Government Official count as a single gift to the official for the purposes of evaluating the total value of the gift.
  - All gifts must be properly documented (including who received the gift and the purpose) on [Form A: Approval Form for Gifts, Entertainment and Travel Provided to Government Officials](#) with signature showing approval, and receipts, invoices, statements and/or additional appropriate records must be submitted with the expense reimbursement on the employee's Travel and Entertainment Expense Form.
  - If low-cost gifts are provided to a group of individuals, it is not necessary to list the name of every recipient in [Form A](#). Rather, an estimate of the number of recipients in the group can be recorded.
  - GCE maintains a log that identifies expenditures for gifts provided to Government Officials.



## **Appendix C**

### **Sample Template of Compliance Language for Contracts or Agreements with Representatives**

Compliance with Anti-Corruption Laws. [Party], its officers, directors, and employees, and anyone for whose acts or defaults they may be vicariously liable or anyone acting on behalf of any of them, shall not make payments in violation of any applicable anti-corruption law in connection with or in any way relating to or affecting this Agreement. [Party] acknowledges that international anti-corruption laws, including the U.S. Foreign Corrupt Practices Act, U.K. Bribery Act and Brazil Clean Companies Act, among others, prohibit any direct or indirect payment of money or anything of value to any Government Official (including directors, officers, or employees of state-owned or state-operated entities) or third party related to the Government Official, , international organization, political party, party official or candidate for political office, or private individual for the purpose of obtaining, retaining or directing business or securing any improper advantage. [Party] represents and warrants that in the performance of its obligations under this Agreement or otherwise in connection with this Agreement it has not made and agrees that it will not make any such prohibited payment

Audit Rights. All services performed by [Party] under this Agreement, all invoices and requests for expense reimbursement submitted to Harsco by [Party], and all payments made to or benefits conferred by [Party] on third parties in the course of [Party's] performance of services under this Agreement, are subject to audit by Harsco, at its sole discretion, or by a third-party retained by Harsco. [Party] must fully cooperate in any audit that may be conducted. Upon notice of an intended audit, [Party] must, within [] days, make available to Harsco or a third-party retained by Harsco all materials relating to this Agreement, including but not limited to invoices, supporting receipts and substantiation, and original entry records for all charges invoiced to Harsco, and make available for interviews, if requested by Harsco, all persons within the control of [Party] who performed services or incurred expenses, or are otherwise knowledgeable with regard to such services or expenses. [Party] must keep books and records that accurately describe in detail all services and expenditures for which [Party] seeks reimbursement from Harsco.

Indemnification. [Party] will indemnify Harsco from and against all losses, liabilities, damages, deficiencies, judgments, assessments, fines, settlements, costs and expenses (including, but not limited to, legal costs) that Harsco suffers or incurs arising from or related to any violation of the Foreign Corrupt Practices Act, or any other applicable anti-corruption law or regulation, by [Party], its Subsidiaries and Affiliates, and any director, officer, agent, employee or other person associated with or acting on behalf of [Party] or any of its Subsidiaries and Affiliates.

Payment. [Party] acknowledges and agrees that Harsco will not make payments to [Party] in cash or bearer instruments, or to an account in a country other than that in which the services are performed and that no payments will be made, directly or indirectly, through any trust, intermediate entity or other intermediary.

Periodic Reports. [Party] covenants to provide detailed written reports of services performed and certifications of same under this Agreement to Harsco, as requested by Harsco from time to time.