



# FIRST QUANTUM MINERALS LTD.

## Code of Conduct

### *Introduction*

First Quantum Minerals Ltd., its subsidiaries and the joint ventures we manage (collectively referred to as "FQM" or the "Company") must act in an honest and ethical manner at all times. This *Code of Conduct* (the "*Code*") affirms the Company's commitment to these principles and provides guidance to directors and employees in upholding them. It applies across all our operations worldwide.

The concept of ethical conduct goes beyond what is lawful. A good test for deciding whether you are doing the right thing ethically is to ask the question:

*"If there were full public disclosure of the facts, would it embarrass me, FQM, my fellow employees or members of my family?"*

If you are in any doubt, discuss potential situations with your Manager or the Company's legal counsel to determine the appropriateness of an action beforehand. Good intentions and failure to seek timely advice will not excuse violations of this *Code*.

### *Who is this Code Applicable to?*

This *Code* is applicable to all FQM directors and employees (full-time, part-time and contract). The *Code* also applies to third parties acting on our behalf. It is reviewed annually by the FQM Board of Directors (the "Board").

Every employee whom has executive or managerial responsibilities is expected to ensure that this *Code* is communicated to and understood by employees reporting to him or her. All employees with executive or managerial responsibilities are required to provide an annual acknowledgement of adherence to this *Code*.

### *Compliance with Laws*

We will comply with the laws applicable to the Company's business in the countries in which we operate. In addition, compliance with the general laws and ethics of Canada applies to all jurisdictions where the Company conducts its business. For example, bribery, discrimination, harassment or bullying, substance abuse, the exploitation of child labour or abuse of human rights will not be tolerated, irrespective of the local laws governing such matters.

Ignorance of the law is not a defense. Each employee is responsible for understanding the laws that govern his or her work. Unlawful conduct will not be tolerated, even when the intent is to further other legitimate corporate objectives. Employees are encouraged to seek legal advice from the Company's legal counsel if they are unclear about laws relating to their work. In those rare circumstances where timely legal advice is impractical, employees should conduct themselves in a manner which they would not hesitate to have fully and publicly disclosed.

### ***Dealing with Public Officials***

Payments or the provision of gifts to public officials, whether or not through an agent or joint venture partner, are not permitted except under specific and legitimate circumstances.

Under no circumstances should a payment or gift be made or offered to a public official with a view to assisting FQM to influence that public official, including to obtain or retain business, or to effect the enactment or enforcement of any laws. Participation, whether directly or indirectly (e.g., through the use of an intermediary), in any bribe, kickback, contribution or similar payment is prohibited.

In some countries where FQM does business, government employees may seek "facilitation payments" for expediting routine governmental actions that they are, in any event, required to perform. FQM is opposed to the making of facilitation payments and such payments should not be made.

Payments or commission fees made to commercial agents and other representatives, such as joint venture partners, that are not commercially reasonable or could reasonably be expected to end up in the hands of a public official, are prohibited. Accordingly, appointments of agents or other representatives, including joint venture partners, should be approved by your Manager to ensure compliance with FQM's legal obligations and this *Code*.

As an alternative to the making of facilitation payments, and as a way of gaining a government's respect and confidence, FQM encourages open and transparent contributions to good works such as the promotion of democracy and the rule of law, charities, the sponsorship of legitimate governmental or quasi-governmental activities, education and support for non-government organizations that benefit the community as a whole as well as FQM's reputation.

The principles applicable to dealing with public officials also apply in relation to dealing with commercial organisations. For example, improper payments to individuals in companies with whom FQM is seeking to do business are unlawful bribes in the same way as improper payments to public officials.

### ***Political Contributions and Activities***

The Company encourages employees to participate in partisan political activities, provided that they do not involve the use of Company funds, time, equipment, supplies, facilities, or other resources.

FQM may from time-to-time, make contributions to candidates, their campaigns or political parties where permitted by law, but only with the approval of the CEO of FQM.

Each employee is encouraged to participate in the electoral process as a citizen and to fully exercise his or her right to vote.

When employees participate in personal political activities, they should ensure that it is clear that they are acting on their own behalf and not as a representative of FQM.

### ***Giving Gifts or Benefits***

Employees shall not offer or give, on behalf of FQM, extravagant gifts or excessive entertainment or benefits to business partners or those seeking to do business with FQM..

Modest gifts and reasonable entertainment are allowed to be given for business purposes by appropriate employees, where legally permitted and in accordance with local business practices, to persons or entities doing business or seeking to do business with FQM.

No gift or entertainment should be of such value as to constitute a real personal enrichment of the recipient or to be perceived as such. Cash or cash value vouchers are not to be given. Gifts or

entertainment given on behalf of FQM should be of a nature and amount that avoid embarrassment and would not reflect unfavourably on FQM or the recipient, if subjected to public scrutiny.

### ***Receiving Gifts or Benefits***

Employees must not use their position to obtain personal gain or benefit from business partners or those doing or seeking to do business with FQM.

Employees are required to select and deal with suppliers, customers and others doing or seeking to do business with FQM in a completely impartial manner and be perceived by others to be acting in an impartial manner, without favour or preference based upon any considerations other than the best interests of FQM.

Modest gifts and reasonable entertainment may be received from business associates of FQM. No gift, favour or entertainment shall be of such a nature as might affect, or reasonably be perceived to affect, an employee's judgement or conduct in matters involving FQM. Cash or cash value vouchers are not to be accepted.

Employees must not use their position to obtain personal gain or benefit from companies or others doing or seeking to do business with FQM. Employees must not seek any gifts, payments, services, loans, or other benefits.

### ***Conflicts of Interest***

Employees must avoid all situations in which their personal interests conflict or might appear to conflict with their duties to FQM.

While FQM recognizes and respects an employee's right to take part in financial, business and other activities outside their jobs, these activities must be free of conflict with their responsibilities as FQM employees. Employees must avoid acquiring any interests or participating in any activities that would tend:

- (a) to create an obligation or distraction which would affect their judgment or ability to act solely in the Company's best interests; or
- (b) to deprive FQM of the time or attention required to perform their duties properly.

Ownership or an ownership interest in a competing or complementary business might create, or appear to create, a conflict. Employees must disclose to their Manager, in writing, all business, commercial or financial interests or activities where their activities might reasonably be regarded as creating an actual or potential conflict with their duties of employment, and must immediately dispose of any interests or discontinue any activities.

Every employee of the Company must ensure that any actions taken and decisions made within his or her jurisdiction are free from the influence of any interests that might reasonably be regarded as conflicting with those of FQM. Employees must do more than merely act within the law. They must act in such a manner that their conduct will bear the closest scrutiny should circumstances demand that it be examined. Not only actual conflicts of interest, but the very appearance of conflict, must be avoided.

### ***Confidential and Proprietary Information***

Unless previously published, the Company's records, reports, papers, processes, plans and methods are proprietary and confidential. Employees are prohibited from revealing information concerning such matters without proper authorization.

Proprietary information developed or acquired by FQM, including trade secrets and other technical, financial and business information, is a valuable asset that must be kept confidential and protected against theft, loss or misuse. Confidential information (e.g., employee personal information and information acquired from third parties pursuant to a confidentiality agreement) must be used for authorized purposes only. Information that is not generally available to the public concerning the activities, results, or plans of FQM must also only be used for authorized purposes. Confidential or proprietary information must never be used for personal gain.

FQM retains the exclusive proprietary right to any information developed by employees in the course of their employment with FQM. Examples may include inventions, designs, discoveries or software programs.

### ***Insider Trading***

As FQM is a public company with securities that trade on public stock markets, it is illegal for employees, officers, directors, consultants and contractors of the Company to buy or sell the Company's securities if they are aware of information relating to the Company's business which is Material Non-Public Information. Employees, officers, and directors are required to read, understand and abide by Company's *Insider Trading Policy*.

### ***Information Systems***

FQM's computer and information systems are valuable assets of the Company. Consequently, their use must be in accordance with Company policies designed to protect the integrity of those systems and associated data. Use of unauthorized or pirated software is strictly prohibited. All data transmitted by and stored on Company electronic media devices remains the property of the Company and as such may be monitored at any time for legitimate business purposes.

### ***Financial Controls and Records***

FQM's accounting and financial records must reflect, in an accurate, complete and timely manner, all transactions affecting the Company in order to meet statutory and regulatory requirements and to ensure proper preparation of the Company's financial statements. Transactions, including estimates of liabilities and assets, must be properly authorized and approved and recorded in accordance with both the relevant generally accepted accounting principles, FQM policies and the highest standards of integrity. There shall be no cash funds, bank accounts, investments or other assets which are not recorded or are inadequately recorded in the Company's accounting records. Accounting and financial records must be adequately protected from destruction or tampering. Questions relating to accounting and financial records should be referred to the Chief Financial Officer or Financial Controller of FQM, or the equivalent senior financial manager. The accounting and financial records must also be retained for a sufficient period of time to meet both the relevant local legal requirements and those required by the Company.

While the empowering Management style adopted by FQM gives employees considerable discretion, all employees are responsible for establishing and maintaining an effective system of internal controls in their area of responsibility. The internal controls should allow FQM to respond appropriately to significant risks to achieving the Company's objectives. They help ensure the effectiveness and efficiency of operations, reliability of internal and external financial reporting and compliance with applicable internal policies, laws and regulations. The objective of financial internal controls is to provide assurance that all assets are adequately protected, properly used and the financial records accurately reflect the assets and liabilities of the Company. Management of the relevant operating Business Unit is responsible for knowing what can go wrong in their area of responsibility, and to be alert for symptoms of wrongdoing, loss or errors. Notwithstanding this, the Chief Financial Officer is responsible for the overall integrity of the financial systems and controls of the Company.

There must be no concealment of information from, or by, Management, or from FQM's internal or external auditors or legal counsel.

### ***Human Rights***

FQM supports the protection of universal human rights and, in conducting our operations, we make every effort to uphold and respect human rights principles, consistent with our *Human Rights Policy*.

The Company will not permit discrimination to or by, employees on the basis of age, race, gender, marital status, national origin, religious or philosophical beliefs, sexual orientation, pregnancy/maternity, disability or on the basis of any other personal characteristics protected by law.

Discrimination is not permitted at any level of the Company or in any part of the employment relationship. This includes areas such as recruitment, promotion, training opportunities, salary, benefits and terminations. FQM is committed, and individuals covered by this policy are required, to sustain an environment that encourages personal respect and mutual trust. Differences between individuals, such as age, race, gender, marital status, national origin, sexual orientation, pregnancy/maternity, religious or philosophical beliefs, and physical or mental limitations, are to be respected.

FQM is committed to providing a workplace free of harassment and it is the responsibility of each employee to ensure that they do not harass others. Harassment takes many forms but usually constitutes repeated, unwelcome and unreciprocated acts or remarks that make the workplace unpleasant or humiliating for the targeted person. Employees are entitled to freedom from all forms of personal harassment and can expect to have their dignity honoured and their rights protected.

### ***Occupational Health and Safety***

FQM will provide safe and healthy working conditions, develop, maintain and promote safe and productive work practices in all aspects of its business and comply with all occupational health and safety laws and regulations governing its activities.

FQM considers the safety and health of its employees to be of utmost importance in the efficient conduct of its business, and believes that Management and each and every employee have a shared responsibility in the promotion of health and safety in the workplace.

The full FQM Health and Safety Policy is available from the Human Resources Department of the relevant Business Unit.

### ***Compliance with this Code***

This *Code* is a public document. As a result, adherence to this *Code* is fundamental to the Company's reputation. FQM views breaches of this *Code* by employees as serious misconduct.

All employees are expected to adhere to this *Code*. Employees who breach this *Code* may be subject to disciplinary action up to and including dismissal. Other individuals who breach the *Code* may be subject to other appropriate sanctions. If the situation involves a violation of law, the matter may also be referred to the appropriate law enforcement authority for consideration.

All breaches of this *Code* must be reported immediately to the reporting employee's Manager so that the matter can be dealt with in an expeditious manner. The employee's Manager should promptly discuss the reported breach with the Company's legal counsel in order that its legal significance to FQM can be properly assessed.

No retaliatory action will be taken or permitted against an employee making good faith reports of a suspected breach of this *Code*.