

Anti-bribery and Corruption Policy

1. POLICY

SECOS Group Limited and its subsidiaries (**Secos** or **Company**) take all reasonable steps, so far as is possible, to ensure that all directors, senior executives and employees of the Company comply with local laws and international good practice and will not become involved in any way in the offering, payment, soliciting or acceptance of bribes in any form.

2. PURPOSE

This policy outlines the processes to ensure all directors, senior executives and employees of the Company are aware of anti-bribery and anti-corruption principles and apply them in all Company activities.

3. SCOPE

The Company has a well-established reputation for conducting business in an ethical and honest way.

As a Company we strive to participate as a strong competitor in our global market, and are committed to doing so without the use of bribery or other corrupt practices to obtain an advantage.

Bribery and corruption are morally wrong and could seriously damage our reputation and standing in the community. They are also inconsistent with our values and expose our company and the persons involved to the risk of imprisonment and other serious criminal and civil penalties.

The Company will apply a “zero tolerance” approach to acts of bribery and corruption by any of our directors, senior executives or employees, and is committed to acting lawfully, fairly and with integrity in all its business dealings and relationships wherever it operates and implementing and enforcing effective systems to counter bribery and corruption.

4. WHAT IS BRIBERY?

Acts of bribery are designed to influence individuals to act dishonestly in the performance or discharge of their duty. Bribery is the act of offering, promising, giving, demanding or accepting any financial or other advantage as an inducement for an action which is illegal, unethical or a breach of trust. Bribes can take on many different forms, but typically there will be a “quid pro quo” – meaning that both parties, or a party’s designate, will benefit.



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A bribe could be:

- the direct or indirect promise, offering or authorisation, of anything of value (whether the value is material or not) with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- giving or accepting gifts, entertainment and/or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome, or which are unduly lavish or extravagant in the circumstances –SECOS personnel must not accept gifts, entertainment or hospitality where to do so might influence, or be perceived to influence, objective business judgement (see section 5 below);
- improper payments or benefits to government officials or representatives, or politicians or political staff;
- payment of secret commissions to those acting in an agency or fiduciary capacity;
- the offer or receipt of any kickback, loan, fee, reward or other advantage for a private business favour or advantage; or
- the giving of aid, donations or voting designed to exert improper influence.

5. GIFTS, ENTERTAINMENT AND HOSPITALITY

SECOS does not permit the exchange of gifts or involvement in entertainment or hospitality activities that is beyond general commercial practice or that occurs in circumstances that could be considered to give rise to undue influence.

As a general rule, the offer or acceptance of gifts, entertainment or hospitality is permitted where it:

- (a) is for a legitimate business purpose, which may include developing business relationships, improving or maintaining the Company's image or reputation, or marketing or presenting the Company's products and/or services effectively;
- (b) does not take place with public officials from which a decision regarding any licence, permit, authorisation or any other official act or decision is pending;
- (c) if it involves, or is reasonably likely to involve, a third party paying for travel or accommodation, that payment is approved by the CEO or CFO;
- (d) complies with the local law and government policies of the country in which the expenditure is made;
- (e) is given in an open and transparent manner;
- (f) does not include cash, loans or cash equivalents (such as gift certificates or vouchers); and
- (g) complies with the financial approval requirements referred to below.

SECOS personnel must obtain approval from their direct supervising manager (or in the case of senior executives from the CEO or CFO or in the case of directors from the Chair or the Board) before accepting or offering any gift entertainment or hospitality due to or in connection with their role at SECOS where it is reasonably foreseeable that the gift, entertainment or hospitality will exceed A\$200 in value.

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In some cases, it may not be appropriate to accept or retain a gift or to be provided with entertainment or hospitality and the person may be asked to refuse or return the gift or to refuse the entertainment or hospitality, for example where there could be a conflict of interest which might influence, or be perceived to influence, objective business judgement.

6. DONATIONS

Political donations

SECOS personnel must not, on behalf of SECOS, make a political donation to any political party, politician or candidate for public office in any country unless the donation has been approved in advance by the Board and complies with the local law and government policies of the jurisdiction where the donation is made. It must also be recorded accurately in SECOS' accounts.

Attendance at political gatherings, meetings and functions in a professional capacity is permitted where there is a legitimate business purpose. Records of attendance (and the cost of attendance) must be declared in the Gifts and Entertainment Register.

Charitable donations and social programs

Apart from political donations, SECOS may make charitable donations and contribute to social programs (e.g. community education and health programs) as permitted by local laws and practices. No charitable donation or social programs may be offered or made by an employee or senior executive on behalf of SECOS without the prior approval of the CEO or CFO or offered or made by a director on behalf of SECOS without the prior approval of the Chair or the Board.

Reasonable care must be taken to ensure that charitable donations and social programs are applied for a legitimate and appropriate purpose.

7. RECORD-KEEPING AND RISK MANAGEMENT

Any:

- (h) any gift, entertainment or hospitality in excess A\$200 in value given or received by SECOS or a director, senior executive or employee due to or in connection with their role at SECOS;
- (i) any political or charitable donation made by or on behalf of SECOS; or

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- (j) any attendance at a political gathering, meeting or function by a director, senior executive or employee due to or in connection with their role at SECOS, and the cost of the attendance;

must be notified to the CFO and recorded in the Gifts and Entertainment Register. It is each SECOS personnel's responsibility to ensure this is done.

All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers should be prepared with accuracy and completeness. Accounts must not be kept 'off-book' to facilitate or conceal improper payments.

8. TRAINING AND COMMUNICATIONS

Training on this policy forms part of the induction process for all individuals who work for the Company, and further training will be provided as necessary. The Company will also make this policy available on its website.

The Company's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

9. COMPLIANCE

SECOS personnel must not engage in any activity that might lead to breach of this Policy. Further, SECOS personnel should ensure that they are familiar with local laws and, where a law imposes a higher standard than the Policy, SECOS personnel operating in that country must fully comply with the higher standard.

In appropriate instances, SECOS will provide country-specific directions for SECOS personnel and SECOS subsidiaries operating in countries outside of Australia.

There is legislation in many countries, including Australia (the Criminal Code Act), the United Kingdom (the Bribery Act) and the United States (the Foreign Corrupt Practices Act and Anti-Kickback Statute), that prohibit bribery and corruption and are enforced with vigour by their respective authorities. Acts of bribery and corruption committed overseas may result in a prosecution at home and in other jurisdictions.

Any breach of this policy will be regarded, not only as a criminal act and reported accordingly, but also as serious misconduct and may result in disciplinary action up to and including dismissal. If an employee is unsure as to whether or not he or she may be in breach of this Policy, the employee must contact his or her supervising manager and seek guidance.

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10. REPORTING

SECOS personnel must report any instance where they believe that non-compliance with the Policy has occurred, is occurring, or is being planned, as soon as they become aware of it. This includes potential violations of laws, unethical behaviour within the Company, suspicions of fraud, improper payments to government officials, or any other occurrences that would contribute to non-compliance with our Company standards.

The report should be made to the CEO or CFO, unless they are involved in the non-compliance in which case the matter should be reported to Chair or any other director who is not involved. Reports may be made anonymously. SECOS will make available an email address for this purpose.

All disclosures will be taken seriously, investigated and treated with the utmost confidentiality to the extent possible.

The Board must be informed of any material incident of bribery or corruption.

SECOS personnel are also encouraged to contact the CEO or CFO if they have any questions or concerns regarding this Policy or subject matter to which this Policy relates. Any enquiries will be treated with the utmost confidentiality to the extent possible.

11. REVIEW

The Board is responsible for undertaking periodic reviews of this policy to check it is operating effectively and whether any changes are required.