



Anti-bribery and Corruption Policy

Cobalt Blue Holdings Limited

ACN 614 466 607

Table of contents

1.	Introduction	1
2.	Scope of policy	1
3.	Compliance	2
4.	Bribery and corruption	2
5.	Facilitation Payments and Kickbacks	3
6.	Gifts and hospitality	4
7.	Foreign public officials	5
8.	Intermediaries, agents and business partners	6
9.	Reporting	7
10.	Whistleblower provision	7
11.	Charitable donations	7
12.	Sources of legal obligations	8
13.	Definitions	8

Anti-Bribery and Corruption Policy

1. Introduction

- 1.1 This Policy sets out the policy of Cobalt Blue Holdings Limited (**Company**) in relation to bribery and corruption matters.
- 1.2 The Company is committed to conducting its business with honesty and integrity at all times and takes a zero-tolerance approach to bribery and corruption.
- 1.3 While bribery and corruption expose the Company to the risk of criminal and civil proceedings, individuals engaged in that conduct may also be subject to such proceedings. The penalties for such conduct are severe.
- 1.4 Bribery and corruption can also expose the Company to the risk of reputational damage.
- 1.5 The purpose of this Policy is to:
 - (a) provide clear policies and procedures for employees and other Workers in relation to bribery and corruption issues that may arise in the course of their employment;
 - (b) provide guidelines for the offering or acceptance of gifts or hospitality;
 - (c) assist in the protection of the Company's reputation, business and interests;
 - (d) provide a reporting mechanism for allegations of bribery and corruption; and
 - (e) assist in compliance with legal obligations.

2. Scope of policy

This policy applies to the Company's and its Related Bodies Corporate's (**Workers**) who include:

- (a) Board Members;
- (b) Directors and Officers (within the meaning of the Corporations Act);
- (c) employees;
- (d) contractors;
- (e) employees of contractors.
- (f) Consultants; and

- (g) Employees of consultants.
- 2.2 This Policy applies to the Company's operations in Australia and overseas. Laws in overseas jurisdictions may differ from this Policy but must also be complied with.
- 2.3 This Policy:
- (a) does not form part of, and is not incorporated into, any contract of employment; and
 - (b) does not place, and must not be relied on as placing, any obligations on the Company.

3. Compliance

- 3.1 The Company expects all Workers to comply with this Policy.
- 3.2 Any breach of this Policy will be treated as serious misconduct and investigated on this basis.
- 3.3 Action will be taken against any worker who breaches this Policy. The nature of that action will depend upon the severity of the breach.
- 3.4 Where this Policy is breached by an employee, the consequence of any substantiated breach of this Policy may include a reprimand, demotion, termination with notice or summary dismissal.
- 3.5 Any breach of this Policy (whether substantiated or suspected) may be reported to regulatory or law enforcement agencies.

4. Bribery and corruption

- 4.1 Bribery exists where there is an intention to influence another person corruptly or improperly in the performance or exercise of their duty.
- 4.2 Bribes can take the form of money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or any other advantage or benefit.
- 4.3 Bribery includes the giving of a Bribe to another party with the purpose of Improperly Influencing a Third Party.
- 4.4 All forms of Bribery are strictly prohibited.
- 4.5 If any of our Workers are unsure about whether a particular act constitutes Bribery, it should be raised with their manager or the Company Secretary.

4.6 Specific examples of Bribery and Corruption include but are not limited to:

- (a) giving, promising to give or offering a payment, gift or hospitality to a Third Party with the expectation of receiving a business advantage or to reward a business advantage already given;
- (b) giving, promising to give or offering a payment, gift or hospitality to a Third Party with the expectation of receiving a personal advantage, or to reward a personal advantage already given;
- (c) giving or accepting a gift, hospitality or other benefit during commercial negotiations or tender process which is intended to, or may be perceived to, influence the outcome;
- (d) accepting a gift, hospitality or other benefit from a Third Party where it has been, or may be perceived to have been, offered for the purposes of Improper Influence;
- (e) providing an additional benefit in excess of reimbursing genuine and reasonable business expenses (for example, the cost of an extended hotel stay for the recipient and his/her family);
- (f) offering an educational opportunity to the child of a foreign government official to influence that official to award a contract;
- (g) hospitality which is unduly lavish or extravagant under the circumstances;
- (h) Facilitation Payments and Kickbacks (discussed further in section 5); and
- (i) threatening or retaliating against another individual who has refused to engage in Bribery or Corruption or who has raised concerns under this Policy.

4.7 Business practices vary between countries and regions so what may be acceptable in one country or region may not be acceptable elsewhere. The test to be applied is whether in all the circumstances the benefit is reasonable and justified and the intention behind it is bona fide.

4.8 If one of our Workers is offered a benefit and is unsure if it is acceptable under the Policy but does not want to offend the party offering the benefit or risk the interests of the Company, the benefit should be accepted and then reported as soon as practicable to the manager or the Company Secretary who will determine what action should be taken.

4.9 Our Workers must not be involved in any form of Extortion or Secret Commission.

5. Facilitation Payments and Kickbacks

5.1 The Company does not make, and will not accept, Facilitation Payments or Kickbacks of any kind, regardless of whether they are legal in a country.

- 5.2 If any of our Workers are asked to make a payment on behalf of the Company, they should be mindful of what the payment is for and whether the amount requested is proportionate to the goods and services provided.
- 5.3 Any of our Workers who are not sure whether a payment is acceptable should speak to their manager or the Company Secretary.

6. Gifts and hospitality

- 6.1 The reasonable and appropriate use of gifts, hospitality or entertainment may be in the interests of the Company if they are offered or received for the purposes of:
- (a) establishing or maintaining good business relationships;
 - (b) improving or maintaining the Company's image or reputation; or
 - (c) marketing or presenting the Company's products and/or services effectively.
- 6.2 Offering or receiving gifts or hospitality is acceptable if:
- (a) it is consistent with this Policy;
 - (b) it is not made with the intent of Improper Influence or in implicit or explicit exchange for favours or benefits;
 - (c) it is not seen to compromise independent business judgment, particularly in relation to a pending or anticipated business transaction or regulatory approval;
 - (d) it is done in the Company's name;
 - (e) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
 - (f) it is token, seasonal or due to a special occasion or local custom;
 - (g) it is appropriate in the circumstances, taking account of the reason, timing and value;
 - (h) it is reasonable, proportionate and justifiable;
 - (i) it is given openly and not secretly;
 - (j) it complies with any applicable law; and
 - (k) it does not involve a public or government official or representative, politician or political party, unless approved in writing by the Board.
- 6.3 Any gift or hospitality given or received which has a value of \$250 or more must be recorded in the gift register maintained by the Company Secretary.

- 6.4 Any of our Workers who are in receipt of a gift or hospitality that is valued at more than the amounts set out in the table below, or a number of gifts, within a 12 month period from a single party with a cumulative value of more than the amounts set out in the table below, that person must discuss the appropriateness of the gift or hospitality with the Company Secretary. Regardless of the value of the gift or hospitality, it must not be given or received for an improper purpose.

Country	Amount (per person)
Australia	AUD
Director or Officer	\$250
All other workers	\$250

- 6.5 Promotional gifts of low value such as branded stationery to or from existing or potential customers, suppliers and business partners will usually be acceptable.
- 6.6 Gifts or hospitality must not be given to or received from any person or entity involved in any tender in which the Company is also involved until that tender process is completed.

7. Foreign public officials

- 7.1 The definition of 'public official' is relatively broad and extends beyond what may commonly be understood by that term.
- 7.2 For the purposes of Australian law and this Policy, a 'foreign public official' is:
- (a) a member of any legislature of a foreign country or part of a foreign country (for example, a member of the country's parliament, or a member of a regional council);
 - (b) any candidate for political office;
 - (c) an employee or official of a foreign government body;
 - (d) an individual who performs work for a foreign government body under a contract;
 - (e) an individual who holds or performs the duties of appointment, office or position under a law of a foreign country or a part of a foreign country;
 - (f) an individual who is otherwise in the service of a foreign government body (including service as a member of a military or police force);
 - (g) a judge or magistrate of a foreign country or part of a foreign country;

- (h) an employee, office holder or otherwise in the service of a public international organisation (for example, the United Nations, World Bank);
 - (i) an authorised intermediary of a foreign public official; or
 - (j) someone who holds himself or herself out to be the authorised intermediary of a foreign public official.
- 7.3 Bribery of a foreign public official is an offence under Australian law. The punishment for an individual convicted of this offence may be up to 10 years' imprisonment or a fine of up to \$2.1 million (for an individual), or both.
- 7.4 Bribery of a foreign public official may also be an offence in the country where the conduct occurs. The Company and the Department of Foreign Affairs may be very limited in the assistance either can offer to our Workers accused of Bribery in a foreign jurisdiction.

8. Intermediaries, agents and business partners

- 8.1 The Company may engage another party to:
- (a) represent its interests to current and potential private or government business partners (such as a sales agent or lobbyist) (**Intermediary**);
 - (b) conduct work on its behalf as an agent; or
 - (c) work with it on a particular project or matter as a joint venture or business partner.
- 8.2 The worker or official of the Company responsible for this engagement must:
- (a) ensure that an appropriate and documented due diligence is undertaken to ensure the integrity, reputation, credentials and qualifications of the person or entity engaged;
 - (b) ensure that fees payable to the person or entity engaged are reasonable for the services being rendered. Ad valorem or percentage-based fees require written approval from the Board before such an arrangement can be entered into;
 - (c) ensure that the person or entity engaged is informed about and agrees in writing to comply with this Policy. Where the entity engaged has a policy which is substantially similar to this Policy which the entity is committed to complying with, this precondition may be waived;
 - (d) ensure that the agreement with the person or entity engaged incorporates the Company's standard terms in relation to anti-bribery and corruption, as appropriate following a proper assessment of risk (including clauses relating to warranty, guarantee, reporting, audit, termination and indemnification); and

- (e) undertake regular reviews of the person or entity engaged to monitor performance and prevent a breach of this Policy.

9. Reporting

- 9.1 The Company encourages our Workers to raise concerns about any actual or suspected Bribery or Corruption at the earliest opportunity to their manager or the Company Secretary.
- 9.2 If one of our Workers is offered a Bribe, or is asked to make one, the issue should be raised with their manager or the Company Secretary.
- 9.3 The Company will treat all reports of actual or suspected Bribery or Corruption in a timely manner.
- 9.4 Unless a report of Bribery or Corruption is found to have been made vexatiously, the Company will not take any action against the person who made the report, even if the Bribery or Corruption is not substantiated. Vexatious reports will be dealt with in accordance with the Whistleblower Policy.
- 9.5 A report of actual or suspected Bribery or Corruption will not affect any performance management process or investigation into misconduct involving the person who made the report.

10. Whistleblower provision

- 10.1 In circumstances where a report of actual or suspected Bribery or Corruption cannot be made to a manager or the Company Secretary, the party can make the disclosure to the CEO or a Director.

11. Charitable donations

- 11.1 The Company supports a number of charitable causes in Australia and worldwide.
- 11.2 Donations are made to these charitable causes without expectation of favourable action or the exercise of any influence.
- 11.3 In some circumstances, donations may be corrupt, for example if they are made to an artificial charitable organisation or ultimately benefit a Third Party.
- 11.4 Donations can only be made on behalf of the Company if the donations are:
 - (a) approved by the CEO or a designated person;
 - (b) made only to an approved not-for-profit organisations whose goals reflect the values of the Company;

- (c) are accurately recorded in the business records of the Company;
- (d) not made in cash or to private accounts; and
- (e) are consistent with this Policy.

11.5 Any worker who seeks a charitable donation from the Company must disclose any benefit the worker will derive from the donation.

12. Sources of legal obligations

12.1 The sources of legal obligations behind this Policy are the anti-corruption laws of countries in which the Company operates. The anti-corruption legislation of some countries has extra-territorial operation so may apply to the Company even if the alleged corruption does not take place in that country.

12.2 This legislation includes:

- (a) *Criminal Code Act 1995* (Cth);
- (b) *Corporations Act 2001* (Cth);
- (c) *Bribery Act 2010* (UK);
- (d) *Foreign Corrupt Practices Act 1977* (US);
- (e) US Code 666 - theft or bribery concerning programs receiving Federal Funds (US); and
- (f) any anti-corruption law of a country which applies to the Company, its business partners or Third Parties operating on its behalf.

13. Definitions

In this Policy, the following words and phrases have the following meanings:

Bribe/Bribery	means the giving, offering, promising, requesting, soliciting, agreeing to receive, receipt, and/or acceptance of any advantage, which need not be financial, including any payment, gift, loan, fee, reward, or other inducement, to or from any person for the purpose of Corruption or Improper Influence.
Company Secretary	means the company secretary of the Company.
Corrupt / Corruption	means the misuse or abuse of public or private office or power for personal gain.

Extortion	means an improper demand for payment from a Third Party.
Facilitation payment	means a small payment or other inducement provided to a government official in order to secure or expedite a routine function that the official is ordinarily obliged to perform already.
Improper Influence	means the intent to induce an action which is illegal, unethical or a breach of trust.
Kickback	means a payment made in return for a business favour or advantage.
Secret Commission	means an undisclosed sum (or something of value) that is offered or provided to a representative of a Third Party for the purpose of improperly influencing that Third Party.
Third Party	means any individual or organisation who is engaged by or paid to represent the Company including licensees, business partners, actual and potential customers, suppliers, distributors, business contacts, consultants, contractors, agents, representatives, sponsors, advisors, government and non-government bodies and their representatives and officials, politicians and political parties.