

## ANTI-BRIBERY AND CORRUPTION

Pedders is committed to doing business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and to implementing and enforcing effective systems to counter bribery and corruption.

We will not tolerate any form of bribery or corruption in our business or in those we do business with. We expect all of our Workers to abide by this commitment.

We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate, including the Criminal Code 1995 (Cth), the Corporations Act 2001 (Cth) and Australian state and territory anti-bribery legislation (**Applicable Anti-Bribery Laws**).

### RESPONSIBILITY FOR THIS POLICY

Our directors have overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

Our Chief of Sales and Operations has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and auditing internal control systems and procedures to ensure they are effective in countering bribery and corruption.

Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training.

All Workers are individually responsible for aiding their own understanding of this policy and complying with this policy in their day to date role.

### MINIMUM STANDARDS FOR OUR WORKERS

The prevention, detection and reporting of bribery and other forms of corruption is our responsibility as well as the responsibility of all of our Workers.

As a minimum requirement, we expect our Workers to:

- carry out their role with us in an honest and ethical manner;
- endorse and abide by this policy (and all Applicable Anti-Bribery Laws);
- participate in anti-bribery compliance training on induction, periodically throughout their engagement and as required by us;
- avoid any activity that might lead to, or suggest, a breach of this policy or Applicable Anti-Bribery Laws; and
- notify their manager (who must notify the Compliance Manager), the Compliance Manager, the Whistleblower Protection Officer or ProAct Link (see whistleblower policy) as soon as possible if they believe or suspect that a breach of this policy has occurred or may occur in the future.

### PROHIBITION ON BRIBERY AND CORRUPTION

For the purpose of this policy:

- **bribery** (or a **bribe**) typically involves the giving, offering or promising of a direct or indirect benefit (monetary or otherwise) to a person to:

- improperly influence a person to obtain or retain a business or personal advantage;
- induce or reward the improper exercise of the duties or functions of a person within the public or private sector, including any government official.
- **corruption** typically involves the improper use of power or position for personal gain;
- **secret commissions** or **payments** typically involve the taking or solicitation of a commission from a third party without disclosing that commission to the principal. The secret commission is given as an inducement to that person to use their position to influence the conduct of their principal's business;
- it is irrelevant whether the payee or recipient of a bribe, secret commission or payment, or other benefit or personal gain (**Benefit**) works in the public or private sector; and
- it is also irrelevant whether the Benefit is accepted or ultimately paid. Even offering a Benefit will be a contravention of this Policy and will usually be sufficient for an offence to be committed.

Pedders prohibits:

- giving, offering, promising, authorising, accepting or requesting a bribe;
- paying or receiving secret commissions or payments; and
- all forms of corruption.

We will not enter business dealings with any supplier known to, or reasonably suspected of, paying bribes or other corrupt activities.

Our Workers must:

- avoid any activity that might lead to a bribe or secret commission being paid or accepted by us or on our behalf, or that might suggest that a bribe or secret commission will be paid or accepted;
- must not enter any business dealings with Suppliers known to, or reasonably suspected of, paying bribes or other corrupt activities; and
- not threaten or retaliate against another individual who has refused to participate in bribery or corruption or who has raised concerns under this policy.

## FACILITATION PAYMENTS AND KICKBACKS

For the purpose of this policy:

- facilitation payments typically are small, unofficial payments made to secure or expedite a routine government action; and
- kickbacks typically are payments made in return for a business favour or advantage.

We do not make, and will not accept, facilitation payments or kickbacks of any kind.

Facilitation payments must not be paid to anyone on our behalf including, but not limited to, any government official.

Workers must avoid any activity that might lead to a facilitation payment or kickback being made or accepted by us or on our behalf, or that might suggest that such a payment will be made or accepted.

## GIFTS, HOSPITALITY AND EXPENSES

Pedders does not allow gifts or hospitality to be given to, or received from, foreign public officials, Commonwealth public officials, other government officials or public service employees.

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Pedders allows reasonable, proportionate and bona fide gifts or hospitality to be given to, or received from, our suppliers or any individual or organisation our suppliers come into contact with during the course of their work or engagement with us, for the purposes of:

- establishing or maintaining good business relationships;
- improving or maintaining our image or reputation; or
- marketing or presenting our products or services effectively.

The giving and accepting of gifts or hospitality is allowed only if the following requirements are met:

- it is not made with the intention of influencing a third party to obtain or retain business or personal advantage, or to reward the provision or retention of business, or in explicit or implicit exchange for favours or benefits;
- it is not made during commercial negotiations or a tender process;
- it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- it is appropriate in the circumstances, taking account of the reason for the gift, its timing and value. For example, in Australia, it is customary for small gifts to be given at Christmas. A conservative approach is to be taken noting that what is common and appropriate in one place may not be in another;
- it is given openly, not secretly;
- it complies with any applicable local law; and
- it is fully documented, including details of the value, the date the gift or hospitality was given or occurred, the person that received, or gave, the gift or hospitality and required approvals or sign-off given.

Promotional gifts of low value such as branded stationery given to, or received 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 the cost of an extended hotel stay) is not acceptable.

The test to be applied is whether in all the circumstances the gift, hospitality or reimbursement of expense is reasonable and justifiable. The intention behind it should always be considered.

Workers must:

- declare and record all hospitality or gifts given to, or received from, our suppliers in a register monitored by the Compliance Manager; and
- accurately record and submit all expenses claims relating to gifts, hospitality or payments to third parties and record the reason for expenditure.

## POLITICAL AND CHARITABLE DONATIONS

We do not make donations to political parties. We only make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior written approval of the Chief Brand and Culture or a director.

## RECORD KEEPING

False, misleading or incomplete record-keeping is a criminal and civil offence in Australia.



It is our policy to maintain a system of internal accounting controls and make and keep books and records which accurately and fairly reflect in reasonable detail the parties, payment arrangements and the purpose of all transactions and disposition of assets.

We do not keep off-book accounts to facilitate or conceal improper payments.

We prohibit the making of cash payments of any kind to any third party, other than documented petty cash disbursements or other valid and approved payments.

Workers must (where applicable to their role):

- ensure written contracts are prepared and signed by all suppliers prior to the provision of goods, services or relationship commencing, and that:
  - such contracts accurately record in reasonable detail all payments, commissions and expenses to be paid under the contract; and
  - all invoices issued in connection with the contract are accurate and complete.
- accurately record all accounting entries in reasonable detail to fairly reflect transactions;
- periodically review accounting entries and supporting documentation to identify and correct discrepancies, errors and omissions;
- record all hospitality or gifts given to, or received from, our suppliers in the hospitality and gifts register; and
- submit all expenses claims relating to gifts, hospitality or payments to third parties and record the reason for expenditure.

## HOW TO RAISE A CONCERN

Workers are encouraged to:

- raise concerns about any issue, suspicion or knowledge of bribery or corruption;
- report if they are offered a bribe or asked to make one;
- report any breach or suspected breach of Applicable Anti-bribery Laws or this policy, at the earliest possible stage.

Workers can raise concerns and report actual or suspected breaches of Applicable Anti-bribery Laws or this policy to their manager, HR or in accordance with our whistleblower policy.

We will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

Workers will not suffer any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion or knowledge that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. If Workers believe that they have suffered detrimental treatment they should inform their manager HR immediately. If the matter is not resolved it should be raised formally using our grievance procedure.

If Workers are unsure about any aspect of this policy or whether a particular act constitutes bribery or corruption, they can raise it with their manager or HR. We encourage our Workers to understand, ask questions and engage with this policy.

Further information on raising concerns or reporting suspected violations can be found in our whistleblower policy.



## BREACHES

Breaches of this policy may expose us and our Workers to criminal penalties and/or civil action. Possible penalties include substantial fines for companies, and, for individuals, imprisonment. Consequences may also include exclusion from tendering for government or private contracts as well as reputational damage.

Conscious disregard, deliberate ignorance and wilful blindness will not avoid liability in relation to any of the matters set out in this policy. Any Worker that breaches this policy will face disciplinary action, which could result in termination of employment.

