

## 1. Introduction

- 1.1. The Company adopts a no-tolerance approach to bribery and corruption. The Company is committed to:
  - (a) conducting all business in an honest and ethical manner;
  - (b) acting professionally, fairly and with integrity in all business dealings and relationships;
  - (c) adopting and enforcing effective systems to counter bribery and corruption; and
  - (d) acting in a manner that is consistent with the Company's values as set out in "The MGX Way".
- 1.2. Employees must comply with and uphold all laws against bribery and corruption in all jurisdictions where the Company operates.
- 1.3. The purpose of this Policy is to:
  - (a) set out the responsibilities of the Company and its employees in observing and upholding the prohibition on bribery and related improper conduct; and
  - (b) provide information and guidance on how to recognise and deal with instances of bribery and corruption.
- 1.4. This Policy applies to all directors and employees of the Company and its subsidiaries.
- 1.5. References in this Policy to the "Managing Director" are also taken to include a person acting in the role of "Chief Executive Officer".

## 2. Bribery and corruption

### *Bribery and corruption*

Bribery is the act of offering, promising, giving or accepting a benefit with the intention of influencing a person who is otherwise expected to act in good faith or in an impartial manner, to do or omit to do anything in the performance of their role or function, in order to provide the Company with business or a business advantage that is not legitimately due. The relevant laws apply to bribery of public officials as well as bribery in respect of any commercial transaction in the private sector. Merely offering a bribe will usually be sufficient for an offence to be committed.

- 2.1. The Company requires that:
  - (a) Employees must not offer or accept cash or other incentives, inducements or rewards in any form. In particular, payments to win business or to influence a business decision in the Company's favour (such as bribes, "kick-backs", secret commissions and similar payments) are strictly prohibited;

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- (b) All business dealings must be accurately documented to reflect the true nature of the transaction; and
  - (c) Employees must take all practical steps to ensure that agents, contractors, intermediaries or business partners dealing with or on behalf of the Company do not engage in conduct that would contravene the Policy, or any laws.
- 2.2. The payment or facilitation of bribes and other corrupt payments or benefits is not only a contravention of this Policy, it is also prohibited as a criminal offence under the Commonwealth *Criminal Code*, the criminal laws of Australian States and Territories and the laws of most foreign countries. Liability may extend not only to the individuals directly involved in making the payment or giving the benefit but also to the relevant company and to any directors or officers who expressly or impliedly authorised or permitted the payment to be made or the benefit to be given.
- 2.3. Examples of scenarios giving rise of caution include:
- (a) Dealing with third parties that have a reputation for paying bribes or engaging in improper business practices;
  - (b) Commission or fee payments before contract execution or performance of a Government function;
  - (c) Payment to a country or geographic location that is different from where the third party resides;
  - (d) Third party requests for a fee to facilitate a matter;
  - (e) A particular supplier has been taking out an employee for very expensive and/or frequent meals;
  - (f) Requests to provide employment or some other advantage to a friend or relative;
  - (g) Unusually generous gifts;
  - (h) Third party requests for the use of an agent or intermediary unknown to the Company; and
  - (i) Payment to overlook potential legal violations.

## *Gifts and entertainment*

- 2.4. Employees may from time to time entertain, or be entertained by, the Company's customers and suppliers and give or receive gifts in the course of their duties. However, entertainment of the Company's customers and suppliers provided (or received) should not extend beyond a level reasonably required to maintain an arm's length business relationship and should otherwise be documented in compliance with the Company's policies and procedures.
- 2.5. Employees should adhere to the following principles:
- (a) Gifts should never be offered or accepted in circumstances where the award of a contract or the outcome of a transaction may be influenced by the gift or give rise to the perception that the contract or transaction may be influenced by the gift;

- (b) Employees involved in a tendering process must refrain from actions which may give rise to an expectation of some favoured treatment from or by any tendering party;
  - (c) Under no circumstances must employees offer or accept money; and
  - (d) Gifts and entertainment reasonably estimated to be in excess of a value of \$200 must be disclosed to the Company Secretary or any other senior executive who would usually authorise similar expenditure by the employee accepting the gift or entertainment.
- 2.6. Invitations where travel and accommodation is involved must be authorised by a senior executive or:
- (a) where a senior executive receives the invitation, by the Managing Director; or
  - (b) where the Managing Director receives the invitation, by the Chairman of the Board or Lead Independent Director.
- 2.7. All dealings which relate to the Company and its business activities must be conducted at arm's length and with the utmost professionalism to avoid any perception of attempting to gain an advantage.

#### *Charitable donations*

- 2.8. Charitable support and donations are acceptable, whether of in-kind services, knowledge, time or direct financial contributions. No donation must be offered or made on behalf of the Company without the prior approval of the Managing Director.

## 3. Breaches

- 3.1. The Company is committed to the effective reporting of improper, corrupt or illegal conduct and all behaviour that is contrary to this Policy. Disciplinary action may be taken against anyone who violates this Policy. The nature of the disciplinary action will depend on the severity of the violation and may include reprimands, formal warnings, demotions or termination of employment. If the matter involves the breach of law or regulation, the matter may also be referred to an appropriate law enforcement authority.
- 3.2. Employees have a duty to observe this Policy and ensure that no breaches occur. Breaches require immediate attention and employees have a duty to report known or suspected breaches of this Policy.
- 3.3. Any employee, who in good faith makes a complaint or disclosure about an alleged breach of the law or this Policy and follows the reporting procedure outlined in the Company's Whistleblower's Policy, will not be disadvantaged or prejudiced in the making of such a complaint or disclosure. The Whistleblower Policy sets out the Company's procedures by which employees may make complaints and reports.

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- 3.4. If after enquiry the Company is satisfied that a breach of the law or this Policy has occurred, the nature of the disciplinary action will be determined by the relevant management in consultation with other appropriate sources of advice, including the Company's Human Resources department. The nature of the disciplinary action will depend on the seriousness of the breach and other relevant circumstances.

## 4. Questions

- 4.1. Employees who have any questions about this Policy should seek clarification from their supervisor or the Company Secretary.

## 5. Review

- 5.1. The Nominations, Remuneration, and Governance Committee ("**NRGC**") is to review this Policy annually and make recommendations to the Board on whether changes are required. The Board must consider any recommendation received from the NRGC and where appropriate, amend this Policy.