

# Anti-Bribery, Corruption and Fraud Policy

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## 1. PURPOSE

ADX Energy Limited (**ADX** or the **Company**) is committed to:

- operating in a manner consistent with the laws and regulations of the jurisdictions in which its businesses operate, including those relating to anti-bribery and corruption; and
- the highest standards of integrity, fairness and ethical conduct.

ADX's Anti-Bribery, Corruption and Fraud Policy (the "Policy") is a critical part of the Company's overall risk management framework to prevent and detect corrupt, illegal or other undesirable conduct.

The Policy prohibits ADX, its Personnel and Business Associates from engaging in activity that constitutes Bribery, Corruption, Fraud or other related improper conduct. It also outlines:

- the responsibilities of ADX and its Personnel in observing and upholding the prohibition on Bribery, Corruption, Fraud and other related improper conduct; and
- information and guidance on how to recognise and deal with instances of Bribery, Corruption, Fraud or other related improper conduct.

The Policy is underpinned by the Company's Code of Conduct.

The Company requires all Personnel to understand and comply with this Policy as well as comply with the Anti-Corruption Legislation and any applicable anti-corruption laws and regulations specific to the location in which they operate.

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## 2. DEFINITIONS

In this Policy the following words or phrases mean the following:

**Anti-Corruption Legislation** means the Criminal Code Act 1995 (*Commonwealth of Australia*).

**Bribery** or **Bribe** means the offering, promising or providing (or authorising the offer or provision) of any loan, gift, trip or entertainment, donation, payment, or any other thing of value directly or indirectly, in cash or in kind, to or for the benefit of any Third Party to obtain or retain business or to secure any improper advantage for the Company.

**Business Associates** means the third party companies and individuals (such as joint venture partners, consultants and agents) acting on behalf of the Company, whether directly or indirectly, by representing the Company's interests in relation to business development or retention of business opportunities.

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**Corruption** means any activity in which a person abuses their position and/or trust in order to achieve an improper gain or advantage for themselves or for another person or entity.

**Facilitation Payment** means payments of nominal amounts to persons as an incentive to facilitate, expedite or secure the performance of a routine government action or process (for example, to facilitate the expedition of applications for licences or grants).

**Fraud** means dishonest activity causing actual or potential financial loss to any person or entity - including theft of moneys or other property by Personnel, Business Associates or other persons external to the Company - and where deception is used either at the time, immediately before, or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit.

**Money Laundering** means concealing the existence of an illegal source of income and disguising that income to make it appear legitimate.

**Item of Value or anything of value** includes cash, travel, meals, gifts, and other tangible or intangible benefits.

**Personnel** means all persons acting on behalf of the Company at all levels, including officers, directors, employees (whether full-time, fixed-term, casual or temporary), consultants and contractors of the Company.

**Secret Commissions** means benefits that are given, offered, received or solicited by an agent or representative of another person or entity, where that benefit is:

- a) not disclosed to the principal; and
- b) given, offered, received or solicited as an inducement or reward for providing or having provided a favour, or the receipt of which would tend to influence the provision of a favour.

For example, a payment to an agent of a customer or supplier where that agent does not disclose that payment to the customer or supplier, and in return, the agent facilitates favourable commercial terms with that customer or supplier.

**Secure an improper advantage** includes obtaining any improper commercial or financial benefit.

**ADX** or the **Company** means ADX Energy Limited and its related bodies corporate.

**Third Party** means any individual or organisation, with whom Personnel come into contact during the course of their employment or business relationships associated with the Company.

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### 3. POLICY

#### 3.1 Bribery and Corruption

Corrupt conduct by ADX and its Personnel is absolutely prohibited. ADX and its Personnel are not permitted to give, offer, promise, accept, request or authorise, whether directly or indirectly any Bribe, kickback or form of improper payment (however small).

Additionally, ADX and its Personnel must not, directly or indirectly, authorise, undertake or participate in any form of corrupt business practice including:

- making any Facilitation Payment;
- making any Secret Commission; or
- engaging in Money Laundering.

Under no circumstances will ADX approve of any offers, or make, request or receive an irregular payment or other thing of value, to win business or influence a business decision in the Company's favour. Such actions are in breach of this Policy and may be illegal in jurisdictions in which the Company operates. This prohibition applies to Bribery of public officials as well as Bribery in respect of any commercial transaction in the private sector.

No Personnel or Business Associate will be penalised, or be subject to other adverse consequences, for refusing to pay Bribes or engage in any other conduct that would be in breach of this Policy, even if that refusal may affect ADX's business.

#### 3.2 Fraud

ADX and its Personnel must not, directly or indirectly, authorise, undertake or participate in any form of Fraud.

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### 4. ADX'S RELATIONSHIPS WITH THIRD PARTIES

Any improper conduct by a third party, including Business Associates, may damage ADX's reputation and expose ADX and its Personnel to criminal or civil liability or other sanctions.

This may include liability for the conduct of agents, representatives and associates or those involved in negotiating any business arrangements or transactions including bidding for tenders, negotiating supply contracts, arranging introductions to potential business clients or key government decision makers.

ADX and its Personnel must not:

- enter into or continue a business relationship with a Business Associate if they cannot be satisfied that the entity will behave in a manner consistent with this Policy; or

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- engage or make a payment to a Business Associate, or any other third party, knowing or suspecting the Business Associate or third party may use or offer all or a portion of the payment directly or indirectly as a Bribe, kickback, secret commission or other form of improper or corrupt payment.

ADX's procurement processes ensure that the Company exercises an appropriate level of due diligence regarding any third party before it enters into a relationship with that third party, engages in appropriate monitoring of third parties, and requires all material supplier partners to comply with ADX's Code of Conduct.

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### 5. GIFTS, ENTERTAINMENT AND HOSPITALITY

ADX prohibits the offering or acceptance of gifts, entertainment, travel or hospitality which are contrary to this Policy, including in circumstances which:

- could be considered to give rise to undue influence or improperly influence a relationship or decision affecting the Company or its business;
- could give rise to the appearance of attempting to secure favourable treatment;
- creates a sense of obligation;
- is more than token value or exceeds common courtesies with accepted business practice; or
- is known or suspected that the recipient cannot accept the gift or benefit pursuant to law or to any duties that they owe others.

Personnel and Business Associates must declare all gifts, entertainment and hospitality given or received and valued at (or estimated to be valued at) \$250 or greater to the Company Secretary or Executive Chairman.

Gifts, entertainment and hospitality are only permitted if they meet all the following conditions:

- solely given for the purpose of building a general relationship and understanding with the other party;
- not intended, and not reasonably able to be construed as, an attempt to influence the performance of the recipient's role or function or obtain business or a business advantage;
- given or received in an open and transparent manner;
- compliant with any relevant law, regulation, rule or code (including this Policy);
- otherwise lawful in the jurisdiction where it is made;
- not cash, loans or cash equivalents (such as gift certificates or vouchers);

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- approved if more than \$250;
- not embarrassing to ADX or its Personnel or the individual in question if publicly disclosed;
- reasonable and appropriate for the persons involved; and
- not given or received while the relevant parties are involved in negotiations or a tender process.

Gifts, entertainment or hospitality frequently given to or received from the same person or entity or which create an ongoing expectation, and in aggregate exceed the value or frequency set by the Company, do not comply with this Policy.

Personnel should, where possible, discuss with their Supervisor the fact that they have been offered a gift / benefit before accepting it, in order to determine the appropriate action.

If, after having spoken with their Supervisor, Personnel should refer to the Company Secretary or Executive Chairman if there is still uncertainty about the appropriateness of any gift, entertainment or hospitality.

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### 6. POLITICAL AND CHARITABLE DONATIONS AND COMMUNITY ENGAGEMENT

The Company does not make donations to any political party or to any individual in, or seeking to obtain, political office.

Charitable support and donations are acceptable (and indeed are encouraged by the Company whether through in-kind services, knowledge, time, or direct financial contributions). However, Personnel must ensure that charitable contributions are not used as a scheme to conceal Bribery; and that they are made formally. ADX Personnel who wish to make charitable donations or sponsorships on their own behalf must make clear that they are not doing so on behalf of the Company.

ADX will only make charitable donations that are legal and ethical under local laws and practices.

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### 7. RECORD KEEPING

As part of its commitment to open and honest business practice, ADX requires all of its businesses to maintain accurate books of account and records.

The Company must keep accurate and complete records of all business transactions:

- in accordance with the law and generally accepted accounting principles and practices,
- in accordance with the Company's accounting and finance policies, and

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- in a manner that reasonably reflects the underlying transactions and events.

It is the responsibility of all Personnel to ensure that all business transactions are recorded honestly and accurately and that any errors or falsification of documents are promptly reported to the appropriate member of the senior management team of the relevant business, and corrected.

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### 8. PROHIBITION ON FACILITATION PAYMENTS

ADX does not condone the making of Facilitation Payments and the making of Facilitation Payments by any Personnel or Business Associate is prohibited.

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### 9. COMPLIANCE WITH LOCAL LAWS REQUIRED

If local laws, codes of conduct, or other regulations in a particular country or region are more restrictive than this Policy, then any Personnel, including any Business Associates, operating in that country or region must fully comply with the more restrictive requirements.

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### 10. BREACH OF THIS POLICY

Bribery and the related improper conduct addressed by this Policy are very serious offences.

If the Company is found to have taken part in Bribery or any other related improper conduct addressed by this Policy it could face a fine and suffer reputational harm. An individual may be subject to penalties or lengthy terms of imprisonment.

Breach of this Policy by Personnel will be regarded as serious misconduct, leading to disciplinary action, which may range from a warning up to termination of employment, depending on the severity of the breach. If you breach the law, you may also be held personally liable.

Breach of this Policy by a Business Associate will be regarded as a material breach for the purposes of termination of the agreement with the Business Associate.

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### 11. REPORTING VIOLATIONS AND SUSPECTED MISCONDUCT

Any Personnel, Business Associate or stakeholder who believes that a violation of this Policy or any laws has been committed, is being committed, or is being planned, should report the matter immediately to the Company Secretary or Executive Chairman or use the procedure set out in the Company's Whistleblower Policy. A copy of the ADX's Whistleblower Policy can be found on the Company's website or obtained from the Company Secretary.

If anyone is unsure whether a particular act constitutes Bribery or a Facilitation Payment, or suspects suspicious activity, or has any other queries, they should immediately ask the Company Secretary or Executive Chairman.

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### 12. PROTECTION

ADX prohibits retaliation against anyone reporting violations and suspected misconduct.

Personnel or Business Associates who wish to raise a concern or report another's wrongdoing, or who have refused pressure to either accept or offer a Bribe, should not be worried about possible repercussions. The Company encourages openness and will support any Personnel or Business Associates who raises genuine concerns in good faith under this Policy.

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### 13. QUESTIONS

If you have any questions regarding this policy, please contact your Supervisor in the first instance. For further assistance, contact the Company Secretary or Executive Chairman.

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### 14. REVIEW OF THIS POLICY

This Policy will be reviewed every two years to ensure it remains consistent with all relevant legislative requirements, as well as the changing nature of the organisation. This Policy may be amended, withdrawn or replaced from time to time at the sole discretion of ADX.

**Approved By:**  
**Last Updated:**

Board of ADX Energy Ltd  
29 July 2020