



ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

1. INTRODUCTION

- 1.1 Carly Holdings Limited (**Carly Holdings** or the **Company**) is committed to maintaining a high standard of integrity, corporate compliance and good corporate governance.
- 1.2 This Policy forms part of Carly Holdings' risk management framework, which includes the Risk Management Policy, and other associated risk and compliance policies.

2. PURPOSE

- 2.1 The purpose of this Policy is to:
 - (i) set out the responsibilities of Carly Holdings and its Employees in observing and upholding the prohibition on bribery and corruption; and
 - (ii) provide information and guidance on how to recognise and deal with instances of bribery and corruption.
- 2.2 Under this Policy, an Employee of Carly Holdings must:
 - not give or accept gifts and/or benefits that will compromise, or appear to compromise, the Employee's integrity and objectivity in performance the Employee's duties;
 - not give or accept gifts and/or benefits that cause, or appear to cause, a conflict of interest;
 - record gifts or benefits worth \$100 or more in the Gift and Entertainment Register;
 - record in the Gift and Entertainment Register where a gift or benefit provided on behalf of Carly Holdings is in excess of \$100; and/or
 - decline gifts and/or benefits worth \$400 or more (unless an exception applies).

3. APPLICATION OF THIS POLICY

- 3.1 This Policy applies to anyone who is employed by or works at Carly Holdings, including employees (whether permanent, part-time, fixed term or temporary), contractors, consultants, secondees and directors wherever located (collectively referred to as **Employees** in this Policy).

- 3.2 The Policy also applies globally. If travelling outside of Australia, Carly Holdings' Employees are subject to the laws of the country they are in; however, the principles of this Policy must be followed regardless of whether or not that country have specific bribery and corruption laws. Where a country has specified bribery and corruption laws which are of lesser standard to this Policy, this Policy prevails.

4 **WHAT IS BRIBERY AND CORRUPTION¹**

- 4.1 Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal, unethical or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage and can take the form of gifts, loans, fees, rewards or other advantages.

- 4.2 Corruption is the abuse of entrusted power for private gain.

5. **POLICY**

5.1 **Bribes**

Employees are not permitted to give, offer, promise, accept, request or authorise a bribe, whether directly or indirectly.

5.2 **Gifts and hospitality**

Employees must declare all gifts and benefits, valued at \$100 or more, in the Gift and Entertainment Register.

- 5.3 Subject to Section 13.1, employees are also expected to decline (or avoid accepting) gifts and benefits which are valued at \$400 or more, with the exceptions being:

- work related conferences;
- invitations to speak at a professional association (including flights and accommodation); or
- working lunches.

6. **APPROVAL PROCESS FOR GIFTS AND BENEFITS**

- 6.1 Employees should, where possible, discuss with their immediate manager the fact that they have been offered a gift or benefit before accepting it, in order to determine the appropriate action to take.

- 6.2 Employees are required to enter in the Gift and Entertainment Register **within 5 working days** of receiving or being offered the gift or benefit.

- 6.3 Managers need to action² any gifts or benefits reported to them **within 5 working days** of receiving the disclosure from the Employee.

¹ As defined by Transparency International

² Approve, decline, return or donate the gift

- 6.4 Gifts or benefits should not be accepted on a recurring basis or broken down into parts of less than \$100.

7. ACCEPTABLE GIFT AND ENTERTAINMENT EXPENDITURE

- 7.1 Gifts and genuine hospitality and entertainment expenditure that is reasonable and proportionate is allowable provided it complies with the following:

- made for the right reason – it should be clearly given as an act of appreciation or common courtesy associated with standard business practice
- no obligation – it does not place the recipient under any obligation
- no expectation – expectations are not created by the giver or an associate of the giver or have a higher importance attached to it by the giver than the recipient would place on such a transaction
- made openly – if made secretly and undocumented, then the purpose will be open to question
- reasonable value – its size is small and in accordance with general business practice
- appropriate – its nature is appropriate to the relationship
- at “arm’s length”- all transactions or gifts should be at an “arm’s length” basis with no special favours and no special arrangements
- legal – it complies with relevant laws
- documented – the expense or gift, if valued at \$100 or more, is fully documented in the Gift and Entertainment Register.

8. FACILITATION PAYMENTS

- 8.1 Facilitation payments are a form of bribery made for the purpose of expediting or facilitating the performance of a public official for a routine governmental action in order to expedite performance of duties of a non-discretionary nature. The payment or other inducement is not intended to influence the outcome of the official’s action, only its timing.

- 8.2 Facilitation payments, whether legal or not in a country, are prohibited under this Policy.

9. POLITICAL CONTRIBUTIONS

- 9.1 Carly Holdings does not make donations to political parties.

10. CHARITABLE CONTRIBUTIONS

- 10.1 Carly Holdings may make charitable donations that are legal and ethical under local laws and practices. In Australia, this means that an organisation must have deductible gift recipient status with the Australian Taxation Office. This status makes the organisation entitled to receive income tax deductible gifts and deductible contributions.

- 10.2 No donation must be offered or made on behalf of the Company without prior approval of the Board of Directors.

- 10.3 This Policy does not seek to curtail an individual’s freedom to make donations or undertake volunteer work in their personal capacity.

11. RESPONSIBILITIES OF EMPLOYEES

- 11.1 Employees must ensure that they read, understand and comply with this Policy. The prevention, detection and reporting bribery and other forms of corruption are the responsibility of all those working for Carly Holdings or under its control.
- 11.2 All Employees are required to avoid any activity that might lead to or suggest a breach of this Policy.
- 11.3 An Employee of Carly Holdings must notify the immediate manager as soon as possible if the Employee believes or suspects that a conflict with, or breach of, this Policy has occurred, or may occur in the future. Any Employee who breaches this Policy will face disciplinary action, up to and including termination of employment or engagement.
- 11.4 Remember, a bribe does not actually have to take place. Just promising to give a bribe or agreeing to receive a bribe is an offence

12. RECORD-KEEPING

- 12.1 Carly Holdings must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 12.2 **Third party** means any individual or organisation an Employee comes into contact with during the course of his or her work, and includes actual or potential clients, customers, suppliers, distributors, business contacts, agents, advisors, and government and public bodies, including their advisors, representatives and officials, politicians, and political parties.
- 12.3 An Employee of Carly Holdings must declare and enter gifts and benefits, in accordance with this Policy, in the Gifts and Entertainment Register within 5 business day. This Register may be subject to managerial review and internal or external audit. Employees must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with Carly Holdings' processes and specifically record the reason for the expenditure. Please refer to the Gifts and Entertainment Register for details on what are required to be recorded.
- 12.4 All accounts, invoices, memoranda and other documents are records relating to dealing with third parties, such as clients, suppliers and business contact, should be prepared and maintained with strict accuracy and completeness. No accounts may kept "off-book" to facilitate or conceal improper payments. Noting it is an offence under the Crimes Legislation Amendment (Proceeds of Crime and Other Measures) Act 2016 for a person to make, alter, destroy or conceal an accounting documents (including being reckless in their conduct which allowed such act) to facilitate, conceal or disguise the corrupt conduct

13. EXCEPTIONS

- 13.1 Approval for any gifts and entertainment above \$400 may only be provided by the Managing Director, and, for the Managing Director, by the Chairman of the Board and must be disclosed in the Register

14. HOW TO RAISE A CONCERN

- 14.1 Under the Code of Conduct, all Employees have a responsibility to help detect, prevent and report instances of bribery and corruption as well as any other suspicious activity or wrong-doing in connection with Carly Holdings’s business. The Company is committed to ensuring that all Employees have a safe, reliable and confidential way of reporting any suspicious activity. Employees are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage with their immediate manager. If unsure whether a particular act constitutes bribery or corruption, or if Employees have any other queries or concerns, these should be raised with the immediate manager.
- 14.2 If an Employee is not comfortable, for any reason, with speaking with their immediate manager, Carly Holdings has a Whistleblower Policy which affords certain protections against reprisal, harassment or demotion from making the report
- 14.3 Any questions about this Policy should be directed to the Managing Director or Company Secretary.

15. REVIEW

- 15.1 Regular reviews of the Gifts and Entertainment Register enable the identification and management of any emerging risks. For example, if a particular company is presenting a significant number of gifts to various Employees or if companies are offering frequent and substantial hospitality to Employees such as dinners, seats at sporting events, access to corporate boxes at sporting or cultural venues, upgrades on flights or theatre tickets.
- 15.2 Internal control systems and procedures will be subject to regular audits and reviews to provide assurance that they are effective in countering bribery and corruption. There may also be independent reviews undertaken from time to time by external auditors.
- 15.3 The Audit and Risk Committee will regularly review this Policy as well as the Gifts and Entertainment Register and consider its effectiveness.

16. PUBLICATION OF POLICY

- 16.1 This Policy will be available on the Company’s website and the key features will be published in the corporate governance statement.

17. VERSION CONTROL

Version	Date	Changes
1.0	28 June 2019	First version of policy

Approved by the Board of Carly Holdings Limited on 28 June 2019.