

ANTI-BRIBERY AND CORRUPTION POLICY



WEST COAST
AQUACULTURE

WEST COAST AQUACULTURE GROUP LIMITED
(ACN 637 883 848)

ANTI-BRIBERY AND CORRUPTION POLICY

This Document is adopted by West Coast Aquaculture Group Ltd (“The Company”) on the 1st day of January in the year of 2020.

1. Introduction

- 1.1 The Company is committed to maintaining a high standard of integrity, investor confidence and good corporate governance including having a leadership role in setting and articulating corporate governance standards in Australia.
- 1.2 This Anti-Bribery and Corruption Policy forms part of the Company’s risk management framework.
- 1.3 This Policy is a critical component of the Company’s delivery on its strategic goal of enduring trust, integrity and resilience and outlines the Company’s requirements regarding the management of gifts and benefits, which protects you and your reputation and minimises potential negative consequences for you and the Company.
- 1.4 This Policy is also underpinned by the Company’s values, as stipulated in the Document titled Statement of Values.
- 1.5 Please refer to the Schedule for the full list of gifts and/or benefits that are prohibited in this Policy.
- 1.6 The Policy also applies globally. If travelling outside of Australia, the Company’s 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 has specific bribery and corruption laws. Where a country has specific bribery and corruption laws which are of a lesser standard to this Policy, this Policy prevails.

2. Scope

- 2.1 This Policy applies to anyone who is employed by or works at the Company, including employees (whether permanent, fixed term or temporary), contractors, consultants, secondees and directors wherever located (collectively referred to as employees in this Policy).
- 2.2 Third party means any individual or organisation you come into contact with during the course of your work, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

3. Compliance

- 3.1 The Company expects all of the Company employees 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 of the Company employees who breach 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. What is Bribery and Corruption?

- 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.
- 4.2 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.
- 4.3 **Corruption** is the abuse of entrusted power for private gain.
- 4.4 If any of the Company employees are unsure about whether a particular act constitutes Bribery. It should be raised with the Company Secretary.

5. Policy

- 5.1 The Company's employees are not permitted to give, offer, promise, accept, request or authorise a bribe, whether directly or indirectly.
- 5.2 Employees must declare all gifts and benefits, both offered and or received, within the prescribed value as outlined in the Schedule.
- 5.3 Employees are also expected to decline (or avoid accepting) gifts and benefits within the prescribed value with the exceptions as outlined in the Schedule.
- 5.4 Employees should, where possible, discuss with their manager the fact that they have been offered a gift / benefit before accepting it, in order to determine the appropriate action.
- 5.5 Employees are required to enter any gift / benefit in the Gift and Entertainment Register **within 5 working days** of receiving or being offered the gift / benefit.
- 5.6 Managers need to action (approve, decline, donate or return) any gifts and benefits reported to them **within 5 working days** of receiving the disclosure from the employee.
- 5.7 Noting that gifts / benefits should not be accepted on a re-occurring basis or broken down into parts of less than \$200.
- 5.8 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 / 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 (if the value is not known, apply the reasonable person test), is fully documented in the Gift and Entertainment Register

(a) Some examples of acceptable gifts and/or benefits:

- token gifts / benefits where offered in business situations or to all participants and attendees (e.g. work-related seminars, conferences, trade and business events and would include items such as a pen, cap, stationery, coffee mug, stress ball, mouse pad, corporate umbrellas and memory sticks)
- a gift / benefit for presenting at a work-related conference, seminar, and / or business event
- a ceremonial gift from another organisation on behalf of the Company. Please note that ceremonial gifts belong to the Company and as such you must declare and report the item on the Gifts and Entertainment Register and arrange to display the item in the Company where appropriate
- a gift / benefit given in gratitude when hosting business events or overseas delegations only where refusal would be unreasonable and unnecessarily offensive
- light refreshments (e.g. tea, coffee, water, juice) or a modest meal during a meeting or as a participant of a working group

(b) These circumstances are never acceptable:

- gifts in the form of cash and / or cash equivalent vouchers or gift certificates
- “quid pro quo” (a benefit or advantage offered for something in return)
- making incomplete, false or inaccurate entries in the Company’s books and records, e.g. Gift and Entertainment Register

(c) Specific examples of Bribery and Corruption include but are not limited to:

- 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;
- 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;

- 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;
- 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;
- 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);
- offering an educational opportunity to the child of a foreign government official to influence that official to award a contract;
- hospitality which is unduly lavish or extravagant under the circumstances;
- Facilitation Payments (discussed further in section 5.3); and
- threatening or retaliating against another individual who has refused to engage in Bribery or Corruption or who has raised concerns under this Policy.

- 5.9 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.
- 5.10 If one of the Company employees 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 Company Secretary who will determine what action should be taken.
- 5.11 Our Company employees must not be involved in any form of Extortion or Secret Commission.
- 5.12 Facilitation payments are a form of bribery made for the purpose of expediting or facilitating the performance of public official for a routine governmental action, e.g. Processing papers, issuing permits and other actions of an official in order to expedite performance of duties of a non-discretionary nature (i.e. which they are already bound to perform).
- (a) The payment or other inducement is not intended to influence the outcome of the official's action, only its timing.
- (b) Facilitation payments, whether legal or not in a country, are prohibited under this Policy.
- 5.13 The Company may make donations to political parties from time to time.
- (a) Individual donations must be approved by the CEO and Company General Counsel and must be within the Company's board approved financial limits.
- (b) The Company discloses all political donations in the Company's Annual Report under 'Corporate Governance', and to the Australian Electoral Commission and state electoral authorities as required.
- 5.14 The Company's community programs allow employees to support causes and charities of their choice from a broad list of charity partners.

- (a) Charitable support and donations are acceptable (and indeed are encouraged via the Company's in the Community), whether of in-kind services, knowledge, time, or direct financial contributions.
- (b) However, employees must be careful to ensure that charitable contributions are not used as a scheme to conceal bribery.
- (c) The Company can only 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.
- (d) No donation must be offered or made on behalf of the Company's without the prior approval of the Group Executive, Human Resources. However, there is no need to obtain this prior approval for donations made under the Workplace Giving Scheme.
- (e) All charitable contributions made by the Company are publicly disclosed in the Company's Annual Report.

6. Foreign public officials

- 6.1 The definition of 'public official' is relatively broad and extends beyond what may commonly be understood by that term.
- 6.2 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 or the 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.

6.3 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.

6.4 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 People accused of Bribery in a foreign jurisdiction.

7. Intermediaries, agents and business partners

7.1 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); or
- (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.

7.2 The employee 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.

8. Your Responsibilities

8.1 You must ensure that you read, understand and comply with this Policy.

8.2 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Company or under its control.

- 8.3 All employees are required to avoid any activity that might lead to or suggest a breach of this Policy.
- 8.4 You must notify your manager and the Audit and Risk Committee as soon as possible if you believe or suspect 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 in termination of employment or engagement.
- 8.5 A bribe does not actually have to take place – merely promising to give a bribe or agreeing to receive a bribe is an offence.

9. Record-Keeping

- 9.1 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 9.2 You must declare and enter in the Gifts and Entertainment Register **within 5 business days**.
- 9.3 The Register may be subject to managerial review and internal and external audit.
- 9.4 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.
- 9.5 Please refer to Schedule for what details are required to be recorded in the Gifts and Entertainment Register.
- 9.6 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness.
- 9.7 No accounts must be 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 document (including being reckless in their conduct which allowed such an act) to facilitate, conceal or disguise the corrupt conduct.

10. Exceptions

- 10.1 Approval for any gifts and entertainment above \$400 may only be provided by the CEO and, for the CEO, by the Chairman and must be disclosed in the register.

11. How to Raise a Concern

- 11.1 Under the Code of Conduct, all Company's 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 the Company's business.

- 11.2 The Company is committed to ensuring that all employees have a safe, reliable and confidential way of reporting any suspicious activity.
- 11.3 You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage with your manager.
- 11.4 If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries or concerns, these should be raised with your manager and/or the Audit and Risk Committee.
- 11.5 If you are not comfortable, for any reason, with speaking directly to your manager, the Company has a Whistleblower Protection Policy which affords certain protections against reprisal, harassment or demotion for making the report.

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.

13. Accountability

- 13.1 Reporting and accountability with respect to the terms of this Policy will be a periodic item on the Board's agenda.

14. Monitoring and Review

- 14.1 Regular reviews of the register enable the identification and management of any emerging risks, e.g. 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, e.g. dinners, seats at sporting events, access to corporate boxes at sporting or cultural venues, upgrades on flights, theatre tickets etc.
- 14.2 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 Audit.

15. Variation

- 15.1 The Board may amend this Policy by resolution

16. Disclosure of Policy

- 16.1 This Policy will be made available, and updated as required, on the corporate governance page on the Company's website.

SCHEDULE

ITEM(S)	PARTICULARS
Item 1 (the Company)	<p>Company Name: West Coast Aquaculture Group Ltd Australian Company Number: 637 883 848 Registered Address: c/- Agile Legal Consulting, 7/257 Collins St, Melbourne VIC 3000</p>
Item 2 (Currency)	All currency referred to in this Policy shall be treated as Australian Dollars.
Item 3 (The Policy)	<p>The company's employees must adhere to the following:</p> <ul style="list-style-type: none"> • Not give or accept gifts and/or benefits that will compromise, or appear to compromise, the employee's integrity and objectivity in performing their duties • Not give or accept gifts and/or benefits that cause, or appear to cause a conflict of interest • Record gifts or benefits worth \$200 or more in the Gift and Entertainment Register • Record in the Gift and Entertainment Register where a gift or benefit provided on behalf of the Company is in excess of \$200 • decline gifts and/or benefits worth \$400 or more (unless an exception applies)
Item 4 (Exception to over \$400 gifts & entertainment)	<ul style="list-style-type: none"> • work related conferences, where travel is involved as it is expected that the Company will pay for the flights and accommodations; or • invitations to speak at a professional association (including flights and accommodation); or • working lunches; or • where it is part of the Company's sponsorship deal.
Item 5 (Gift & Entertainment Register)	<p><u>Receiving Gifts and Entertainment</u></p> <ul style="list-style-type: none"> (a) Date received (b) Name, Position & Business Unit of Recipient (c) Name of Giver (d) Description of gift/entertainment (e) Monetary Value (f) Reason for acceptance (g) Decision on what will happen to the gift/entertainment (h) Name and position of approving manager <p><u>Offering Gifts and Entertainment</u></p> <ul style="list-style-type: none"> (a) Date offered (b) Name, Position & Business Unit of Recipient (c) Name of Receiver (d) Description of gift/entertainment (e) Monetary Value (f) Reason for offering (g) Name and position of approving manager