



ANTI-BRIBERY & ANTI-CORRUPTION POLICY



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1. INTRODUCTION

1.1 Definitions

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| Employees | All staff, contractors, consultants and temporary workers of the Pacific Energy group of companies (Group). |
| Manager | An individual employee's direct supervisor/manager |
| CEO | Chief Executive Officer |

1.2 Purpose

The Group recognises that its reputation for conducting business in an ethical and honest way is a core company value that must be valued and protected.

The purpose of this policy is to establish controls to ensure compliance with all applicable anti-bribery and corruption regulations and to ensure that the Group conducts business in a socially responsible manner.

1.3 General Statement of Policy

Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal 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.

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

We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. We remain bound by the Australian anti-corruption laws (Australian Criminal Code Act 1995 and subsequent amendments), and where relevant take due note of our obligations and responsibilities under other legislative jurisdictions including the United Kingdom Bribery Act 2010, and the United States Foreign Corrupt Practices Act (FCPA) in respect of our conduct both at home and abroad.

The Group has a "zero tolerance" approach to acts of bribery and corruption by any of our employees or contractors. As well as being morally wrong, bribery and corruption are criminal offences that expose the Group and individuals to the risk of prosecution, fines and imprisonment.

Any breach of this policy may result in disciplinary action, including termination of employment or contract. If the matter involves a breach of law or other regulation, the matter may also be referred to an appropriate law enforcement authority.

2. SCOPE

This policy applies to all individuals working for or on behalf of the Group at all levels and grades, including directors, managers, employees (whether permanent, part-time or casual), contractors, sub-

contractors, labour-hire personnel, consultants or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as employees in this policy).

This policy applies to your interactions with any individual or organisation you come into contact with during the course of your work for us, 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.

This policy covers:

- bribery and corruption;
- receiving gifts, entertainment and favours;
- giving gifts, entertainment and favours;
- facilitation payments; and
- political and charitable contributions.

2.1 Bribery and Corruption

Bribery means the offering or providing, promising, giving, accepting or soliciting of an advantage (loan, gift, trip, entertainment, donation, payment, or any other thing of value) as an inducement for an action which is illegal, unethical, a breach of trust, or to secure an improper advantage.

Acts of bribery are designed to influence individuals to act dishonestly in the performance or discharge of their duty.

Corruption means dishonest activity in which a director, executive, manager, employee or contractor of an entity acts contrary to the interests of the entity and abuses his/her position of trust in order to receive some personal gain or advantage for him or herself or for another person or entity.

Employees must not engage in any form of bribery or corruption, either directly or through any other party (such as an agent or distributor). Specifically, employees must not bribe a foreign public official anywhere in the world.

2.2 Receiving Gifts, Entertainment and Favours

It is not unusual for an individual or a company to give gifts or provide entertainment, meals or tickets to events. The receipt of gifts or favours by staff can give rise to embarrassing situations and may be seen as an improper inducement to grant some concession in return. Employees must not compromise either themselves or the Group in conducting the Group's business.

The following principles should be followed:

- gifts or favours must not be solicited;
- gifts of money must never be accepted; and
- reasonable small tokens and hospitality may be accepted provided they do not place the recipient under any obligation, are not capable of being misconstrued and can be reciprocated at the same level.

Without the express authority of the Group CEO, General Manager, or a director, the acceptance of gifts of more than a nominal value (\$250) is prohibited under this policy as being a conflict of interest. Other conflicts such as excessive entertainment, services or substantial favours or benefits are also prohibited. Where an entity has no prior or current trading relationship with the Group (i.e. is not a currently approved supplier or customer) the acceptance of ANY gift is prohibited.

All gifts, entertainment or favours offered, whether accepted or not, must be reported to the Group CEO, General Manager or a director.

Any gifts, entertainment or courtesies must not influence your business decisions. If accepting a gift influences your business judgement then the gift must be declined. Any offer which you think is given in order to influence your business decision must also be declined.

A register of gifts will be maintained by the CEO to record all declared and approved gift receipts.

2.3 Giving Gifts, Entertainment and Favours

The giving of any gifts, entertainment or favours to any customer or supplier is permissible provided it is up to a nominal value (\$500) and has the prior approval of the Group CEO. Where an entity has no prior or current trading relationship with the Group (i.e. is not a currently approved supplier or customer) the provision of ANY gift is prohibited.

Any such activity is also prohibited if the Group will then receive or appear to receive an improper commercial advantage.

It is the Group's policy to deal with customers and suppliers solely on the basis of price, quality, reliability, service and the long-term benefit to the Group. Customers and suppliers must be dealt with in a fair and honest manner, with integrity and independent judgment.

2.4 Facilitation Payments

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, and not to obtain or retain business or any improper business advantage. Facilitation payments tend to be demanded by low level officials to obtain a level of service which one would normally be entitled to.

Our strict policy is that facilitation payments must not be paid.

In exceptional circumstances where there is a risk to the personal security of an employee or his/her family and where a facilitation payment is therefore unavoidable, then the following steps must be taken:

- keep any amount to the minimum;
- create a record concerning the payment; and
- report it to your line manager.

In order to achieve our aim of not making any facilitation payments, each business of the Group will keep a record of any such payments made, which must be reported to the Group CEO, in order to

evaluate the business risk and to develop a strategy to minimise or eliminate such payments in the future.

2.5 Political and Charitable Contributions

We do not make donations, whether in cash or kind, in support of any political parties or candidates, as this can be perceived as an attempt to gain an improper business advantage.

Charitable support and donations are acceptable (and indeed are encouraged), whether of in-kind services, knowledge, time, or direct financial contributions. However, employees must be careful to ensure that charitable contributions are not used as a scheme to conceal bribery.

The Group will only make charitable donations that are legal and ethical under local laws and practices, and no donation must be offered or made on behalf of the Group without the prior approval of the Group CEO.

3. YOUR RESPONSIBILITIES

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

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Group or under our control. All employees are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify the Group CEO, General Manager, or a director 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, which could result in dismissal. We reserve our right to terminate our contractual relationship with other workers if they breach this policy.

4. RAISING A CONCERN

Raising a concern about business conduct ultimately protects the Group, its employees and other stakeholders. If you think a decision, action or practice is unethical, or in breach of this Policy, the Group Code of Conduct, other Group policies, or a breach of the law, you have the right and an obligation to raise that concern. You should immediately raise this with either the Group CEO, General Manager or a director.

5. WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION

It is important that you tell the Group CEO, General Manager or a director as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

6. PROTECTION

Employees who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The Group encourages openness

and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken (refer to the Group Whistleblower Policy).

The Group is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform your manager immediately.

7. POLICY

7.1 Breach of this Policy

Failure to comply with the principles of this policy could result in appropriate disciplinary actions, including termination. Additionally, individuals may be subject to loss of the Group access and privileges.

7.2 Policy Review

The CEO will monitor the effectiveness and review the implementation of this policy, considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. All employees are responsible for the success of this policy and should ensure they use it to disclose any suspected wrongdoing.

Employees are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Company Secretary. This policy will be reviewed annually by 20 December.

7.3 Dissemination of Policy

A copy of this policy will be provided to each employee upon commencement of employment and additional copies will be made available upon request.



Jamie Cullen
Group CEO

7 October 2020

8. POLICY VERSION CONTROL

| Date | Author/Department | Version Number | Change Summary |
|------------|-------------------|----------------|-----------------------|
| 05/10/2016 | J Cullen | 1.0 | Original |
| 20/11/2017 | M Macaskill | 2.0 | Reviewed and Updated |
| 30/11/2017 | J Cullen | 2.0 | Approved |
| 30/01/2020 | M Macaskill | 3.0 | Reviewed |
| 30/01/2020 | J Cullen | 3.0 | Approved |
| 07/10/2020 | J Cullen | 4.0 | Reviewed and Approved |