

## **1. PURPOSE**

The purpose of this Anti-Bribery and Anti-Corruption Policy (“Policy”) is to provide Australis Personnel at all levels with a clear set of guidelines to ensure that Australis conducts its activities in an ethical and appropriate manner as well as complying with the laws and regulations of each jurisdiction in which it operates.

## **2. OBJECTIVES**

Australis is committed to conducting its business and activities with integrity and in accordance with all applicable laws, rules and regulations.

To achieve this objective:

- a) Australis will not engage in corrupt business practices;
- b) Australis will implement procedures to prevent bribery and corruption involving any Australis Personnel;
- c) Australis will, at a minimum, comply with all applicable laws, regulations and standards, including Applicable Anti-Bribery Laws and where internal policies require a higher standard, will comply with such higher standard.

## **3. COMPLIANCE**

This Policy applies in all jurisdictions in which Australis operates and applies to all Australis Personnel. All directors, officers, and employees are required to confirm in writing that they have understood this Policy as part of the Australis Induction Policy and Procedure and consultants, contractors and other Australis representatives shall be required to adhere to this Policy and Applicable Anti Bribery Laws as a fundamental term of their engagement.

## **4. GENERAL POLICY REQUIREMENTS**

Australis prohibits activities involving bribery, corruption, and in all jurisdictions in which Australis operates. This Policy applies to dealings with both public officials and to private organisations and individuals operating as commercial associates

Gifts and entertainment, political contributions, charitable contributions, offers of employment and sponsored travel have the potential to be misused as a disguise for bribes for the purpose of influencing decisions or obtaining an advantage. In some circumstances it may be difficult to determine the true nature of these types of payments. Accordingly, Australis has adopted this Policy to ensure openness and transparency in dealings with these payments.

Most countries have specific laws prohibiting bribery of public officials and commercial associates and other corrupt practices. Any breach of this Policy or local law could result in potentially serious consequences, including but not limited to termination of employment or contract by Australis, and fines and/or imprisonment under applicable laws.

## **5. CORRUPT PAYMENTS PROHIBITED**

Australis Personnel are prohibited from making or accepting any corrupt payments. Without limitation, Australis specifically prohibits:

- a) The promise, offering, payment, solicitation or acceptance of bribes in any form, including the offer or promise of employment or sponsorship.
- b) Engagement in any form of corrupt business practices, whether for the benefit of Australis, yourself or another party.
- c) Facilitation payments, even if they are permitted under local laws.

Requests from public officials or commercial associates to make or accept any form of corrupt payment must be immediately reported to the CEO

### **Gifts and Entertainment**

The offer, promise, giving or receiving of any gift or entertainment to or from public officials or commercial associates has the potential to be construed, or used by others to allege, that Australis is trying to obtain or receive favourable business treatment by providing individuals with personal benefits. However, the giving or receiving of gifts or hospitality is not always prohibited by applicable anti-bribery laws or this Policy, provided the gift or hospitality is for a genuine purpose, reasonable and is presented as a common courtesy associated with the ordinary course of business, and not made with any intentions to influence or reward a third party for obtaining or retaining business or an exchange of favours.

Australis has adopted the following general guidelines for determining the appropriateness of gifts and entertainment to or from public officials and commercial associates, however, except as expressly noted below, all giving or receiving of gifts or entertainment to commercial associates or public officials require the prior approval of the CEO:

- a) There is no expectation that the gift or entertainment is given in exchange for any return favour, commitment or advantage.
- b) The gift is not made in cash or cash equivalents and otherwise complies with the Code of Conduct and applicable laws.
- c) The gift or entertainment is infrequent, reasonable and proportionate in value considering the local custom and law, position of the recipient and circumstances.
- d) The timing of the gifting or entertainment has been considered objectively in respect of past, pending or future business activities and could not be perceived as a bribe.
- e) The gift is given openly and in the name of a commercial entity, not in someone's personal name.
- f) For job group level 3 and below any gift or entertainment to or from commercial associates which has value more than US\$250 requires the approval of a Senior Manager in advance. Gifts or entertainment below that threshold, which otherwise comply with this Policy, do not require such advance approval.
- g) For job group level 2 and above, any gift or entertainment to or from commercial associates which has a value more than US\$1,000 requires the approval of the CEO or, in the case of the CEO, the Chair, in advance. Gifts or entertainment below that threshold, which otherwise comply with this Policy, do not require such advance approval.
- h) Valid entertainment expenses may include meals and events such as theatre, sporting events and other cultural events where there is a legitimate and justifiable business purpose.

Personally paying for a gift, entertainment or other provision of value in order to avoid compliance with the requirements of this Policy is prohibited.

## **6. DEALING WITH PUBLIC OFFICIALS**

Australis requires the exercise of a high degree of caution when dealing with public officials. The provision of anything of value, no matter how small, has the potential to create the perception that Australis has sought to improperly influence the government official to obtain an advantage. For this reason Australis has implemented specific procedures when dealing with public officials:

*Gifts and entertainment* – Before offering or accepting any gift, meal or entertainment, regardless of value or nature of the gift or entertainment, approval from the CEO is required. Additionally, any gifts or entertainment given to or received from a public official must be recorded in the Public Officials Gifts and Entertainment Register.

*Donations* – Australis does not make donations to any political party, politician or candidate for public office in any jurisdiction, unless the donation has been approved by the Board. Caution should be exercised when donating to private charities favoured by government officials, as such donation could be conceived as a bribe.

*Sponsored travel* – Generally the payment of travel and travel related expenses for public officials is prohibited. In certain circumstances the CEO retains the discretion to approve the payment of travel and travel related expenses of public officials where:

- i) the payment is for reasonable, customary and bona fide expenditure incurred strictly in relation to travel and travel related activities;
- j) the payment is made directly to the vendor(s) of the travel services or, only to the extent such direct payment is not possible, reimbursed to the public official only upon submission of valid receipts; and

- k) the travel is directly related to the promotion, demonstration or explanation of Australis' business activities or facilities.

*Offers of employment or sponsorship* – Before any offer of employment or sponsorship is made to or on behalf of a public official, a relative of a public official or a close associate of a public official, approval from the CEO is required.

## **7. DEALING WITH THIRD PARTY REPRESENTATIVES**

Under many Applicable Anti-Bribery Laws, Australis is responsible for and may be held liable for acts by commercial associates which are done on behalf of or at the direction of Australis, such as agents and other representatives, independent contractors, consultants, suppliers and joint venture partners (when acting in such capacity, "Third Party Representatives"). Accordingly Australis is committed to promoting compliance by all Third Party Representatives with this Policy and requires that:

- a) Third Party Representatives retained by Australis under written contract should be made aware of, and agree in writing to comply with, Australis' Code of Conduct and this Policy, as a fundamental term of their engagement;
- b) Where possible, the appointment of Third Party Representatives should be documented in a written agreement including contractual terms requiring compliance with anti-bribery and anti-corruption standards; and
- c) appropriate consideration, and where necessary due diligence, of the reputation, history, anti-bribery and anti-corruption policies and qualifications of all Third Party Representatives, relative to the size and nature of the engagement, be undertaken prior to appointment, most importantly where it is not possible to obtain from a Third Party Representative the written agreements contemplated above and in jurisdictions where corruption is known or suspected to be prevalent.

It is the responsibility of the individual who engages a Third Party Representative on Australis' behalf to ensure that these guidelines are followed prior to such engagement.

## **8. RECORD KEEPING AND REPORTING REQUIREMENTS**

Australis has created and maintains an accurate and auditable record of all gifts, entertainment and payments to public officials and commercial associates in accordance with Australis' prevailing accounting standards. Records that distort or disguise the true nature of any transaction are prohibited.

Each individual to whom this Policy applies must disclose all details regarding any and all such gifts, entertainment and payments they have made or approved or have received to the Accounting Department either via the Expense Claim procedure or the Accounts Payable procedure and provide all relevant documentary support including a valid tax invoice for such items.

## 9. POLICY BREACHES

A breach of this Policy is a serious matter which can result in disciplinary action, including termination of employment or contract.

Any Australis Personnel found to have either breached this Policy, failed to report a potential breach of this Policy or mislead any investigation into any potential breach of this Policy will be subject to disciplinary action.

## 10. REPORTING BREACHES OF THIS POLICY

Any Australis Personnel suspecting or observing any contravention of this Policy, has the obligation to report this immediately to a Director or Senior Manager.

## 11. ROLES AND RESPONSIBILITY

The CEO will provide leadership and oversight with regard to the Policy and is responsible for day to day management of compliance with and the effectiveness of the Policy, with the assistance of the Company Secretary as required. The Chief Financial Officer is responsible for recording keeping and maintaining the Public Officials Gifts and Entertainment Register. The Board or, where formed and authority duly delegated, the Audit and Risk Management Committee will review the Policy on an annual basis and make any amendment recommendations to the Board.

## 12. DEFINITIONS

For the purpose of this Policy the following definitions apply:

**Applicable Anti-Bribery Laws** include:

- a) the Criminal Code Amendment (Bribery of Foreign Officials) Act 1999 (Cth);
- b) the Foreign Corrupt Practices Act 1977 (US);
- c) the Bribery Act 2010 (UK);
- d) the Criminal Code (Portugal);
- e) any other anti-corruption laws of the Commonwealth of Australia; and
- f) any other anti-bribery or anti-corruption law of a country other than Australia which applies to **Australis** or third parties operating on **Australis'** behalf.

**Australis or Company** means Australis Oil & Gas Limited and its subsidiaries and joint ventures in which Australis and/or a subsidiary owns a controlling interest.

**Australis Personnel** means all **Australis** directors, officers, executives, employees, agents, independent consultants, contractors and other **Australis** representatives

**Board** means the board of Directors of the **Company**.

**Bribery** means the giving, offering, promising, accepting or soliciting of a benefit, advantage or anything else of value (a) as an inducement for an action which is corrupt, illegal, unethical or a breach of trust; (b) to obtain an improper advantage or outcome; or (c) for any other improper purpose.

**CEO** means the person acting in the capacity as the Chief Executive Officer of the **Company** or the consolidated corporate group.

**Commercial associate** means a director, officer, employee, agent, contractor or other representative of a commercial business enterprise that is not owned or controlled by **Australis**.

**Corruption** occurs where an individual misuses their position of trust or power in order to receive some gain or advantage for themselves or for another person or entity.

**Executive Management** means a manager of Vice President level or above and the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Corporate Officer and Company Secretary.

**Facilitation payment** means a payment or other inducement provided to a **public official** to secure or expedite a routine or non-discretionary function that the **public official** is ordinarily obliged to perform in the circumstances.

**Policy** means this Anti-Bribery and Anti-Corruption Policy

**Public official** includes a person in any of the following categories:

- a) An individual elected or appointed to a legislative, administrative, or judicial position of any municipality, state, province, country, or territory;
- b) An employee of the government of any municipality, state, province, country, or territory, or any department or agency of such government;
- c) A political candidate or a political party or party official;
- d) An officer or employee of a public international organization such as the United Nations or the World Trade Organization, or any department or agency of such organization; or
- e) A person acting in a public function, including a director, officer or employee or other agent or representative of a state-owned entity.

**Third Party Representatives** means commercial associates engaged in activities on behalf of or at the direction of Australis

**Senior Manager** means those persons, other than a director or company secretary, who makes, or participates in making, decisions that affect the whole, or substantial part, of Australis or has the capacity to affect significantly its financial standing (such as a member of our Executive Management Team).

### **13. FURTHER INFORMATION**

For further information, clarification or questions regarding compliance with this policy or the Applicable Anti Bribery Laws, please contact the Company Secretary.

Approved by the Board: 22 August 2019