

**COSOL LIMITED**  
**(ACN 635 371 363)**

**ANTI-BRIBERY AND**  
**ANTI-CORRUPTION POLICY**

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## **1. ABOUT THIS POLICY**

### **1.1 Purpose**

COSOL Limited (“**COSOL**”) is committed to acting ethically, honestly and in compliance with all applicable laws in its business and operations, and has a zero tolerance for corruption or bribery in any form. COSOL expects all persons engaged or employed by COSOL, its subsidiaries and its related bodies corporate (“**COSOL Group**”) to act in the same manner and not to engage in any form of corruption or bribery.

The purpose of the Anti-Bribery and Anti-Corruption Policy (“**Policy**”) is to establish certain standards and processes to ensure all personnel employed or engaged by the COSOL Group comply with applicable laws, rules and regulations regarding corrupt and fraudulent practices.

### **1.2 Scope of this Policy**

This Policy applies to all individuals and entities employed or engaged by the COSOL Group, including all directors, officers, managers, employees, contractors, consultants and agents of the COSOL Group and any other person representing or acting on behalf of the COSOL Group anywhere in the world (“**COSOL Personnel**”).

This Policy applies to COSOL Personnel irrespective of their employment status (that is, whether they are employed or engaged on a full-time, part-time, fixed term, casual or temporary basis) and regardless of their geographical location.

### **1.3 Bribery, corruption and other improper conduct**

Bribery, corruption and any other improper conduct referred to in this Policy can amount to serious crimes and pose significant risk and reputational damage to the COSOL Group and COSOL Personnel. It is important to note Australian companies and individuals who engage in bribery or corrupt conduct may be prosecuted under Australian law and the laws of foreign countries, and that COSOL may be responsible under Australian law for the actions of COSOL Personnel who are based overseas. It should also be noted that companies and individuals who engage in improper conduct may be prosecuted for conduct in a country other than the country in which the improper conduct took place. The penalties for violating anti-bribery and corruption laws are severe and individuals who violate such laws may also be subject to imprisonment or fines.

The anti-bribery and corruption laws that may apply in the jurisdictions in which the COSOL Group operates include the *Australian Criminal Code Act 1995 (Cth)*, the *United States Foreign Corrupt Practices Act 1977*, the *Bribery Act 2010* in the United Kingdom, and the *New Zealand Crimes Act 1961* and *Secret Commissions Act 1019*.

To ensure COSOL Personnel do not engage in activity that constitutes (or could be perceived to constitute) bribery or corruption, this Policy:

- (a) explains the conduct expected of COSOL Personnel in observing and upholding COSOL’s commitment to prohibiting bribery, corruption and related improper conduct; and
- (b) provides information and guidance on how to recognise and deal with instances of (and circumstances having the potential to involve) bribery, corruption and other improper conduct.

## **2. DEFINITIONS**

The following table sets out various terms/definitions which are used throughout this Policy

and their corresponding meaning:

<b>Bribe</b>	A benefit offered, promised or provided to a Public Official or other person in order to gain or improperly influence (by illegal, unethical or dishonest means) any advantage, including any commercial, contractual, regulatory, business or personal advantage.
<b>Business Partner</b>	A third party with whom the COSOL Group conducts business including a consultant, a contractor, a distributor, a joint venture partner, a co-investor, an agent and an intermediary.
<b>Corruption</b>	Dishonestly offering, promising or providing a benefit (or causing a benefit to be provided) to any person which would, if received, tend to influence a Public Official or other person in the exercise of their duties.
<b>Facilitation Payment</b>	A payment or other inducement (including a benefit in kind) provided to a Public Official to secure or expedite a routine government action which the Public Official is already ordinarily obliged to perform. This might include payments to expedite the issuing or processing of legitimate visas, the scheduling of inspections, obtaining permits or authorisations, or the connection of telephones or other utility services.
<b>Political Party</b>	Includes any political party, politician, elected official or candidate running for public office in any country.
<b>Public Official</b>	Includes any: <ul style="list-style-type: none"> <li>• officer or employee of any government, whether at local, federal or state level, or any public international organisation (or any department or agency thereof, or any government-owned or controlled entity, including state owned enterprises) anywhere in the world, including Australia;</li> <li>• individual who performs work for a government or public international organisation under a contract or who is otherwise in the service of a government or public international organisation (including service as a member of a military or police force);</li> <li>• individual who holds or performs the duties of an appointment, office or position under the laws of any country or which are created by custom or convention, such as members of royal families and tribal leaders;</li> <li>• member of the legislature, executive, judiciary or magistracy of any country;</li> <li>• person who holds themselves out as being the authorised intermediary of a public official; and</li> <li>• individual standing or nominated (whether formally or informally) as a candidate to be a public official covered by any items above.</li> </ul>
<b>Secret Commission or “Kick-back”</b>	An undisclosed payment (including a benefit in kind) which is offered or provided to an agent or representative of a person/company for the purpose of influencing the conduct of that agent or representative.

### 3. ANTI-BRIBERY AND CORRUPTION

### **3.1 Bribery**

Bribery can take many forms, is often disguised and may be difficult to trace or detect. Depending on the circumstances, it may include such things as giving or receiving:

- (a) money (or cash equivalents such as shares, vouchers, gift cards, etc);
- (b) gifts, including customary gifts;
- (c) entertainment or hospitality (including upgrades, flights or accommodation);
- (d) discounts;
- (e) Secret Commissions or Kick-backs;
- (f) Facilitation Payments;
- (g) charitable or political contributions; and
- (h) sponsorships (whether financial or by endorsement).

Bribery can be direct or indirect, meaning it can include using an agent or intermediary to make a bribe on your behalf, or making a bribe to an associate of a person you want to influence. The offence of bribery can occur even if a bribe is not actually accepted or paid, or if the bribe is unsuccessful (that is, where the advantage sought is not actually gained).

### **3.2 Prohibitions**

COSOL Personnel must not, either directly or indirectly:

- (a) offer, solicit, promise, give or accept a Bribe or any other improper payment in any form, with the expectation or hope that an advantage will be received or to reward an advantage already given;
- (b) authorise, undertake or participate in any form of Corruption or corrupt business practice whether for their own benefit or the benefit of any member of the COSOL Group;
- (c) offer, promise or make a Facilitation Payment;
- (d) offer, promise or give any political contribution unless permitted by section 4 below (Political Contributions);
- (e) offer, solicit, promise, give or accept a gift or hospitality unless permitted by section 5 below (Gifts, Entertainment and Hospitality);
- (f) accept a gift, payment or hospitality from a third party that is known or suspected of being offered with the expectation that it will obtain a business advantage for them which will be obtained through improper performance by the COSOL Group or COSOL Personnel; or
- (g) engage in any activity that might lead to a breach of this Policy.

If you are unsure whether any particular conduct, behaviour or practice is acceptable under this Policy, you should check with your relevant manager before engaging in that conduct, behaviour or practice.

### **3.3 Community and charitable support**

For the avoidance of doubt, nothing in this Policy is intended to restrict the COSOL Group or COSOL Personnel from providing general support to the communities in which the COSOL Group operates (including, for example, sponsoring local sporting clubs or donating to local charitable organisations) so long as they do so legally, ethically and honestly and there is no expectation on the part of the COSOL Group or COSOL Personnel that they will receive a benefit or advantage in return. Any donations, sponsorships or charitable contributions made using COSOL funds, rather than personal funds, must be approved by the responsible Managing Director before the funds are expended.

#### **4. POLITICAL CONTRIBUTIONS**

All dealings with Political Parties which relate to the COSOL Group and its business must be conducted at arm's length and with the utmost professionalism to avoid any perception of attempting to gain advantage.

The COSOL Group may choose to make donations to Political Parties from time to time because the COSOL Group believes this would enable such Political Parties to perform their functions better and to improve the democratic process.

Any donations to a Political Party must be authorised by COSOL's Board of Directors and disclosed as required by law. For example, any donations to an Australian Political Party above a level determined by legislation must be disclosed annually to the Australian Electoral Commission.

Circumstances may arise where you are invited to attend an event or activity organised by a Political Party as a representative of the COSOL Group. This may be acceptable if, prior to accepting any such invitation, you seek approval from your manager.

You may participate in political activities in your own personal capacity, provided it is understood and made clear that in doing so you are not representing the COSOL Group. Such participation, including contributions of time and money, must be conducted entirely on your own account and your political opinions must not be presented as being those of the COSOL Group.

#### **5. GIFTS, ENTERTAINMENT AND HOSPITALITY**

##### **5.1 General**

Gifts, entertainment and other hospitality are often provided for a legitimate business purpose, such as building legitimate business relationships. However, they must never be used to corruptly or improperly influence business decisions.

Giving or accepting gifts, entertainment and other hospitality may pose a risk to the COSOL Group because it can compromise (or have the appearance of compromising) the exercise of objective business judgment. This risk is heightened where Public Officials are involved.

The COSOL Group understands that the practice of giving and receiving gifts and hospitality varies between countries and regions and what may be normal and acceptable in one region may not be in another. To manage these risks, the COSOL Group has developed the following rules for giving and accepting gifts.

##### **5.2 Guidelines**

The test to be applied is whether in all the circumstances the gift or hospitality is reasonable, proportionate and justifiable. The intention behind the gift or hospitality must always be considered and it can never be for the purpose of influencing a person improperly in the exercise of their duty.

### **5.3 Giving and accepting gifts, entertainment and other hospitality**

COSOL Group may pay for the reasonable cost of a Public Official's meals, lodging, or travel if, and only if, the expenses are bona fide, reasonable, and directly related to the promotion, demonstration, or explanation of COSOL products or services, or the execution of a contract with a government or agency. COSOL Personnel may not give or accept anything of value (including gifts, entertainment or hospitality) to or from any third party unless the gift is in compliance with paragraphs (a) to (g) below and clauses 5.4, 5.5 and 5.6:

- (a) it is directly connected to a legitimate business purpose or activity (for example, building or maintaining a business relationship or continuing a business discussion over a meal);
- (b) it is of an appropriate value and nature in line with common business courtesies and considering local custom, the position of the recipient and the circumstances;
- (c) it does not violate local laws or norms;
- (d) it is not in the form of cash or cash equivalents (such as vouchers or gift certificates);
- (e) it must be given and accepted openly and not secretly;
- (f) it is not given to encourage special favours, to place the recipient under an obligation to the giver, or to create expectations that the recipient will receive an advantage;
- (g) the giving or acceptance of the gift would not cause a third party to form an impression that there is an improper connection between that gift and a business opportunity; and
- (h) it otherwise complies with the limits and requirements of this section 5.

If COSOL Personnel have any concerns about the appropriateness of a gift, entertainment or hospitality which they give or receive (or intend to give or receive), they should seek prior approval from their relevant manager.

### **5.4 Gifts to Public Officials**

#### *North America*

Any payment gift or hospitality given to or received from any Public Official is prohibited, provided that infrequent gifts or hospitality of any nominal value, such as promotional items (for example, pens, notepads, calendars and other branded items) or refreshments offered during a meeting, may be given and accepted.

#### *Australia*

Prior written approval of your manager must be obtained for any gift or hospitality given to or received from any Public Official, provided that infrequent gifts or hospitality of any insignificant value, such as promotional items (for example, pens, notepads, calendars and other branded items) or refreshments offered during a meeting, may be given and accepted without such prior approval.

## **5.5 Gifts to other third parties**

Gifts or hospitality to persons other than Public Officials should only be offered or accepted with the prior written approval of COSOL's Managing Director where the value of the gift or hospitality exceeds:

- (a) A\$150 per person in the case of gifts; or
- (b) A\$350 per person in the case of meals, entertainment and hospitality.

Gifts or hospitality of an insignificant value (including those referred to in section 5.4) may be given and accepted without such prior approval.

## **5.6 Gifts register**

All gifts and hospitality offered, provided or received by COSOL Personnel must be recorded in COSOL's Gift and Hospitality Register, other than gifts or hospitality of an insignificant value (including those referred to in section 5.4) which may be given and accepted without being recorded.

## **6. DEALING WITH THIRD PARTIES AND BUSINESS PARTNERS**

The COSOL Group could be liable for the acts of third parties who act on its behalf. Because antibribery laws prohibit "indirect" as well as direct payments and offers, the COSOL Group and COSOL Personnel may be liable for the conduct of Business Partners where it is known or reasonably should have been known of such party's unlawful conduct. Turning a "blind eye" or ignoring "red flags" (see examples in Annexure A) that something may be wrong does not exonerate the COSOL Group or COSOL Personnel from criminal liability. The COSOL Group is also obligated to take adequate steps to prevent bribery. In certain circumstances, a reasonable investigation should be conducted into the background, reputation, and business practices of a potential Business Partner before entering into a contract with them.

Before appointing a Business Partner, COSOL Personnel must consult with their manager to determine whether due diligence is required. This will always depend on the nature of the appointment. The purpose of conducting due diligence in respect of a potential Business Partner is to mitigate identified bribery and corruption risks. The COSOL Group will always take a proportionate and risk-based approach in conducting due diligence. Due diligence will be unnecessary for many minor appointments.

In engaging a Business Partner, the COSOL Group will seek to:

- (a) enforce compliance with this Policy as an integral part of the Business Partner's contractual obligations; and
- (b) ensure that the COSOL Group has the capacity to cease all dealings with the Business Partner, without penalty, in the event that the Business Partner breaches any applicable anti-bribery and anti-corruption law.

## **7. RECORD KEEPING**

The COSOL Group and COSOL Personnel must keep accurate and complete accounts, invoices, and other documents and records relating to dealings with any Business Partner and other third parties, including Public Officials. COSOL Personnel must:

- (a) not make any false or misleading entries in the books and records of the COSOL Group;

- (b) ensure contracts, invoices and other documents relating to relationships with Business Partners or other third parties accurately describe the transactions to which they relate;
- (c) comply with all payment control procedures put in place by the COSOL Group from time to time; and
- (d) comply with all requirements to record and obtain approvals for payments and expenses in this Policy (including in relation to gifts, hospitality, entertainment and political donations).

## **8. YOUR RESPONSIBILITIES**

All COSOL Personnel must at all times comply with this Policy and take steps to prevent, detect and report behaviour which may breach this Policy. This includes looking out for signs or instances of improper conduct in connection with the COSOL Group's business and immediately reporting any actual or suspected improper conduct or other violation of this Policy to your manager or a relevant person identified in clause 10 of this Policy.

The COSOL Group strongly encourages COSOL Personnel to report any suspected or actual breach of this Policy. COSOL Personnel must not retaliate in any way or otherwise cause any detriment to any person who reports in good faith a breach or suspected breach of this Policy, and the COSOL Group is committed to ensuring no person will suffer detriment in circumstances where they have reported a matter in good faith, in accordance with COSOL's whistleblowing policy available at <https://www.cosol.com.au/investor-centre/#corporate-governance>.

## **9. BREACH OF THIS POLICY**

A breach of this Policy will be regarded by the COSOL Group as serious misconduct, and will be investigated and addressed by the COSOL Group. Depending on the circumstances, consequences may include:

- (a) disciplinary action, including termination of employment;
- (b) cessation of the business relationship with the COSOL Group;
- (c) referral of the matter to regulatory and law enforcement authorities; and/or
- (d) criminal and civil penalties or fines, criminal convictions and imprisonment.

A breach of this Policy could also result in serious business consequences for the COSOL Group, such as loss of business and damage to relationships.

## **10. FURTHER INFORMATION AND SUPPORT**

The COSOL Group encourages open communication and dialogue regarding this Policy and any matters which may arise in connection with it.

If you have any questions regarding this Policy or would like further information regarding the processes outlined in this Policy, please contact your manager or one of the following:

Name: Andrew McVinish  
Position: Chief Financial Officer  
Email: [Andrew.mcvinish@cosol.com.au](mailto:Andrew.mcvinish@cosol.com.au)

Name: Lisa Wynne  
Position: Company Secretary  
Phone: +61 415 501 683  
Email: lisa.wynne@cosol.com.au

The COSOL Group is committed to providing training to managers and employees who have roles where they may be exposed to bribery, corruption or other improper conduct.

This policy will be reviewed to ensure that it is operating effectively and remains current as part of periodic reviews of COSOL's corporate governance practices and policies.

#### Annexure A – Potential 'Red Flags'

- You learn that a third party engages in, or has been accused of engaging in, improper business practices.
- You learn that a third party has a reputation for paying bribes or requiring that bribes are paid to them.
- A third party insists on receiving a commission or kickback fee payment before committing to sign up to a contract with COSOL, or carrying out a government function or process for COSOL.
- You receive a request for payment in cash and/or a third party refuses to sign a formal agreement, or to provide an invoice or receipt for a payment made.
- A third party requests that payment is made to a country or geographic location different from where the a third party resides or conducts business.
- A third party requests an unexpected additional fee or commission to "facilitate" a service.
- A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services.
- You learn that a fellow employee has been taking out a particular supplier for very expensive and frequent meals.
- You receive a request that a payment is made to "overlook" potential legal violations.
- You receive a request that COSOL provides employment or some other advantage to a friend or relative, or offers the same.
- You receive an invoice that appears to be non-standard or customised or a request to make a payment in a different bank or bank account located in a jurisdiction away from the location of the work.
- You receive an invoice for general work described as "marketing services" or "promotional services" or "logistical services" with no other description of work in fact performed.
- A third party insists on the use of side letters or refuses to put terms agreed in writing.
- You receive a request to use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to COSOL.
- You are offered an unusually generous gift, or offered lavish hospitality.
- There is a suggestion of reciprocal favours as part of a business relationship.