

smart  
group  
corporation

# Anti-Bribery and Corruption Policy



## 1 Scope and Purpose

Smartgroup is committed to complying with applicable laws and regulations and acting in an ethical manner consistent with the principles and values set out in its Ethics Policy and the Code of Conduct.

A number of countries, including Australia, have strict laws against bribery and corruption. The anti-bribery laws of some countries including Australia, the United States of America and the United Kingdom can apply to things done in other countries (i.e. they have wide-reaching extra-territorial effect). We must comply with all laws against bribery, corruption and related conduct applying to Smartgroup in all the jurisdictions where Smartgroup operates.

Bribery, corruption and related improper conduct are offences under the law and serious criminal and civil penalties may be imposed on both the company and individuals involved. In addition, the consequences of engaging in such conduct include a significant effect on our brands, reputation and profits as well as a loss of confidence amongst our shareholders, clients, suppliers, vendors and employees.

The purpose of this policy to formalise Smartgroup's position with respect to bribery, corruption and related improper conduct and define responsibilities of its team members in this regard. You should refer to the Ethics Policy and the Code of Conduct for the requirements and guidance with respect to gifts.

## 2 Application of the Policy

This policy applies to all employees, directors, officers and contractors of Smartgroup group of companies ("**team members**"). All Smartgroup team members should be familiar with this policy and ensure strict compliance with it. Smartgroup will treat all instances of non-compliance seriously. Non-compliance with the policy may result in termination of employment or engagement with Smartgroup.

## 3 Definition

**Bribery** means the act of directly or indirectly providing, offering or promising a benefit to another, where the benefit is not legitimately due, with the intention of influencing a person, who is otherwise expected to act in an impartial manner, to obtain/retain business or obtain or retain a business advantage not legitimately due to Smartgroup. This is not limited to public officials, but applies to commercial transactions in the private sector. In addition, the benefit involved does not need to be a monetary benefit, but may also be non-cash gifts, political and charitable contributions, loans,

reciprocal favours, business and employment opportunities. Merely offering a bribe will usually be sufficient for an offence to be committed.

**Facilitation payments** are customary, unofficial minor payments to secure or speed a routine government action by a government official or an employee.

**Secret commissions** would arise where a person or an entity offers, gives or receives a commission to an agent, fiduciary, or representative of another person to do or omit doing something in the affairs of the principal of that agent or representative, that is not disclosed by that agent or representative to their principal. This could, for example, occur where a Smartgroup employee receives a commission from a supplier to induce that employee to increase order volume from that supplier and the employee accepts the commission without disclosing it to Smartgroup.

## 4 Policy

Team members must:

- a) understand and comply with this policy;
- b) not give, offer, accept or request bribes, facilitation payments, secret commissions or other prohibited payments or cause any of them to be given, offered, accepted or requested;
- c) not make any other improper payments or benefits to public officials;
- d) not approve any offers, or make, accept or request an irregular payment or other thing of value, to win business or influence a business decision in favour of Smartgroup;
- e) not offer or receive any gifts, entertainment or hospitality to or from public or government officials or politicians, without approval from the Executive Management Team;
- f) maintain accurate and complete records of dealings with third parties;
- g) obtain required approvals with respect to donations and sponsorships from the Executive Management Team; and
- h) report any breaches or suspected breaches of this policy to your manager.

## 5 Bribery and other Improper Payments

Team members must not accept any money or opportunity or other benefit which could be interpreted as an inducement, secret commission, facilitation payment or bribe. Care must be exercised in accepting hospitality, entertainment or gifts over and above that required for the normal conduct of business or which may compromise team members' impartiality. You should refer to the Ethics Policy for further requirements and expectations that Smartgroup has in respect to gifts.

Smartgroup is committed to adopting effective systems to counter bribery, corruption and related improper conduct and to monitoring and enforcing these systems. From time to time, Smartgroup

may issue further guidance regarding what is acceptable in the normal course of business, what you can do with approval from the Executive Management Team and what is prohibited.

For further information or clarification, team members should seek advice from their manager or use the standard escalation path.

## **6 Dealings with Politicians and Government Officials**

All dealings with politicians and government officials at federal, state and local level that relate to Smartgroup and its business activities must be conducted at arm's length and with the utmost professionalism, to avoid any perception of attempts to gain advantage or to improperly influence the outcome of an official decision.

Team members must not make any donation or other financial contribution to any political party, elected parliamentarians, candidate for an election or sponsor any organisations (other than in a purely personal capacity) without seeking and obtaining prior approval from the Chief Executive Officer or the Chief Financial Officer.

## **7 Charitable Donations**

Charitable donations are acceptable at Smartgroup. However, team members may only make charitable donations on behalf of Smartgroup with prior approval from the Executive Management Team or as part of Smartgroup formal initiatives to support community, for example, at Australia's Biggest Morning Tea events.

This policy does not seek to limit team members' freedom to undertake volunteer work in their personal capacity.

## **8 Maintain Accurate Records**

Complete and accurate accounts, invoices and other documents and records relating to dealings of team members with third parties must be prepared and maintained. It is strictly prohibited to keep any accounts "off the books" to facilitate or conceal bribery, corruption or improper payments.

## 9 Report Any Non-Compliant Activity

Any team member that has identified an actual or suspected breach of this policy is required to report such activity to their manager or use the standard escalation path, as set out in detail in the Code of Conduct.

Generally speaking, the manager is the first point of contact for escalating any matters. All managers are responsible for endeavouring to do everything they can to assist team members resolve their concerns effectively and efficiently.

If a team member is not satisfied with the resolution of an issue by their manager, they are encouraged to contact their manager's manager.

If the team member is not satisfied with the resolution of an issue by their manager's manager, the team member is encouraged to approach the Human Resources Manager or the Chief Human Resources Officer. Alternatively, you can approach the Anti-Bribery and Corruption Officer (who is the Chief Legal Officer). The Anti-Bribery and Corruption Officer is responsible for ensuring that risks are identified and all instances of impropriety that have been reported or identified are investigated.

Any material breach of this policy will be reported to the Board of Directors.

Please remember that no set of rules can replace open and honest discussion or the application of common sense, good judgment and personal integrity.