



## Anti-Bribery and Corruption Policy

### 1. Introduction

Ark Mines Ltd (**AHK**) is committed to the highest standards of conduct and ethical behaviour and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance.

This Anti-Bribery and Corruption Policy (**Policy**) forms part of AHK's risk management framework and other associated risk and compliance policies. This Policy is underpinned by AHK's objectives, to be open and trustworthy.

This Policy outlines AHK's requirements regarding the management of gifts and benefits, which protects the reputation and minimises potential negative consequences for anyone who is appointed, employed or engaged by AHK, including directors, contractors, consultants, employees (whether permanent, fixed term or temporary), and secondees wherever located (collectively referred to as **you** in this Policy).

Subject to any exceptions set out in this Policy, you must:

- not give or accept gifts and/or benefits that will compromise, or appear to compromise, your integrity and/or objectivity in performing your duties;
- not give or accept gifts and/or benefits that cause, or appear to cause a conflict of interest;
- record in the Gift and Entertainment Register where a gift or benefit provided on behalf of AHK exceeds AUD\$200; and
- decline gifts and/or benefits worth AUD\$400 or more.

This Policy applies globally. Outside of Australia, you are subject to the laws of the country you are in.

You must follow this Policy regardless of whether or not the country you are in has specific bribery and/or corruption laws. Where a country has specific bribery and/or corruption laws which are of a lesser standard than this Policy, this Policy prevails in the event of any inconsistency.

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## **2. Scope**

This Policy applies to you and to Third Parties.

A **Third Party** means any individual or organisation you come into contact with during the course of your appointment, employment or engagement, and includes AHK's 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. What is bribery and corruption?**

**Bribery** is accepting, giving, offering, promising, or soliciting an advantage as an inducement for action that is illegal, unethical, 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 and can take the form of gifts, loans, fees, rewards or other advantages.<sup>1</sup>

**Corruption** is the abuse of entrusted power for private gain.<sup>2</sup>

## **4. Policy**

### **4.1. Bribes**

You are not permitted to accept, authorise, give, offer, promise, or request a bribe, whether directly or indirectly.

### **4.2. Gifts and hospitality**

You must declare all gifts and benefits, valued at more than AUD\$200 in the Gift and Entertainment Register (**Declaration Obligation**).

The Declaration Obligation applies to the giving of gifts and benefits and also their receipt.

You are expected to decline (or avoid accepting) gifts and benefits valued at more than AUD\$400, except for:

- work related conferences;<sup>3</sup>
- invitations to speak at a professional association (including flights, transfers, accommodation and per diems);
- working lunches; and

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<sup>1</sup> as defined by Transparency International

<sup>2</sup> supra

<sup>3</sup> if travel is involved, it is expected that AHK will pay for your flights and accommodation

- where it is part of an AHK sponsorship deal.

#### **4.2.1 Gifts and benefits you may be offered**

You should, where possible, discuss with the person(s) to whom you report (**Manager**), the fact that you have been offered a gift and/or benefit before accepting it, in order to determine the appropriate action.

Gifts and/or benefits should not be accepted on a re-occurring basis or broken down into parts of less than AUD\$400.

#### **4.2.2 Gifts and benefits you may offer or propose to confer**

You should consult with and obtain the express written permission of your Manager prior to offering or conferring on any Third Party any gift and/or benefit for or on behalf of AHK.

#### **4.2.3 Gift and Entertainment Register**

Necessary entries in the Gift and Entertainment Register must be made within **5 working days** after a relevant event.

Managers need to action<sup>4</sup> any gift and/or benefit reported to them within **5 working days** after a relevant event.

#### **4.2.4 Acceptable gift and entertainment expenditure**

Gifts and genuine hospitality and entertainment expenditure that is reasonable and proportionate is permitted, provided:

- it is made for the right reason. It should be clearly given as an act of appreciation or common courtesy associated with standard business practice;
- it prescribes no obligation. It must not place the recipient under any obligation;
- it creates no expectation. Expectations must not be created by the giver or an associate of the giver or have a higher importance;
- it is made openly. If made secretly and undocumented then the purpose will be open to question;
- it is of a reasonable value. If its size is small and in accordance with general business practice;
- its nature is appropriate to the relationship;
- it is made at “arm’s length”. All gifts should be provided on an “arm’s length” basis attracting no special favours or arrangements;
- it does not contravene relevant laws; and

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<sup>4</sup> approve, decline, donate or return the gift

- it is documented. The expense or gift, if valued at AUD\$200 or more,<sup>5</sup> is fully documented in the Gift and Entertainment Register.

Some examples of acceptable gifts and/or benefits:

- token gifts / benefits offered in business situations or to all participants and attendees (e.g. business-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 business-related conference, seminar, and / or equivalent event;
- a ceremonial gift from a Third Party. Please note that ceremonial gifts belong to AHK and as such you must declare and report the item on the Gifts and Entertainment Register and arrange to display the item in AHK's premises where appropriate;
- a gift / benefit given in gratitude when hosting business events or overseas delegations only where refusal would be unreasonable and unnecessarily offensive; and
- light refreshments (e.g. tea, coffee, water, juice) or a modest meal during a meeting or as a participant of a working group.

These following 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); or
- making incomplete, false or inaccurate entries in AHK's books and records, e.g. the Gift and Entertainment Register.

#### **4.3. 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, 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).

Facilitation payments, whether legal or not in a country, are prohibited under this Policy.

#### **4.4. Political Contributions**

AHK may decide from time to time to make donations to political parties. Individual donations must be approved by the CEO and the Chairman and must be within the financial limits approved by the AHK board from time to time.

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<sup>5</sup> based on the reasonable person test, i.e. if the value is not known, what value would a reasonable person place on the gift?

AHK must disclose all political donations in its Annual Report under 'Corporate Governance', and to the Australian Electoral Commission and state electoral authorities, as required.

#### **4.5. Charitable Contributions**

You may decide from time to time to personally support charities and charitable causes. Charitable support and donations are acceptable, whether they comprise in-kind services, knowledge, time, or direct financial contributions. You must be careful, however, to ensure that charitable contributions are not used as a scheme to conceal bribery.

You 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.

No donations to charities or charitable causes must be offered or made on behalf of AHK without the Board's express written approval.

All charitable contributions made by AHK must be publicly disclosed in the Annual Report.

#### **5. Your Responsibilities**

You must read this Policy.

**You must avoid anything that might lead to or suggest a contravention of this Policy. If you contravene this Policy, you will face disciplinary action, up to and including in termination of your appointment, employment or engagement.**

If you are unsure about your obligations, consult your Manager.

You should notify your Manager as soon as possible if you believe or suspect that a Policy contravention has occurred or may occur in the future.

Please note - a bribe does not actually have to take place – just the promise to give a bribe or agreeing to receive a bribe is an offence.

#### **6. Record-Keeping**

Appropriate evidence must be provided to support the business reason for making Third Party payments.

The Gifts and Entertainment Register may be subject to Managerial review and internal and external audit.

You must ensure all expense claims relating to hospitality, gifts or expenses paid to Third Parties are submitted in accordance with AHK's expenses policy and specifically record the reason for the expenditure. Please refer to **Appendix 1** for what details are required to be recorded in the Gifts and Entertainment Register.

All accounts, invoices, memoranda and other documents and records relating to dealings with Third Parties should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments. Please note - 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.

## **7. Exceptions**

Approval for any gifts and entertainment above AUD\$400 may only be provided by the CEO and, for the CEO, by the Chairman and must be disclosed in the Gifts and Entertainment Register.

## **8. How to Raise a Concern**

Under AHK's *Code of Conduct*, you 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 AHK's business. AHK is committed to ensuring that you have a safe, reliable and confidential way of reporting any suspicious activity. You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage with your Manager. 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.

If you are not comfortable, for any reason, about speaking directly to your Manager AHK has a *Whistleblower Protection Policy* which affords certain protections against reprisal, harassment, or demotion for making the report.

## **9. Monitoring and Review**

Regular reviews of the Gifts and Entertainment 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.

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 AHK's external auditors.

## Appendix

### Gifts and Entertainment Register

<b>Receiving gifts and entertainment</b>	<b>Offering gifts and entertainment</b>
Date received	Date offered
Name and position of recipient	Name and position of offeror
Name of giver	Name of receiver
Description of gift/entertainment	Description of gift/entertainment
Value \$*	Value \$*
Reason for acceptance	Reason for offer
Decision made	
Name and position of approving Manager	Name and position of approving Manager

\* Based on the reasonable person test, i.e. if the value is not known what value would a reasonable person place on the gift / entertainment