
Atlas Pearls Ltd
30 June 2022

CORRS
CHAMBERS
WESTGARTH

Anti-Bribery and Corruption Policy and Procedures

Why does Atlas have an Anti-Bribery and Corruption Policy?

Atlas Pearls Ltd (and all of its subsidiaries, wherever located) (**Atlas**) is committed to conducting its business and all associated activities ethically and with integrity, consistently with Atlas's values set out in its Code of Conduct [[hyperlink](#)].

Atlas takes its responsibility and commitment to act with integrity very seriously, and so:

- does not engage in corrupt business practices;
- complies with all applicable anti-bribery and corruption laws;
- prohibits any activity that seeks to bribe or otherwise improperly influence a Public Officials in any country to act (or omit to act) in a way that differs from that official's proper duties, obligations and standards of conduct;
- prohibits any activity that seeks to bribe or otherwise improperly influence any other individual or company in the public or private sector to act (or omit to act) in a way that differs from the proper performance of their role or function; and
- maintains and implements appropriate measures to prevent bribery and corruption by Atlas and its directors, officers, employees, contractors, subcontractors, agents, and any other party representing Atlas.

Atlas's business is international, with farming operations extending across the Indonesian archipelago and the marketing and sales distribution network based in Australia. The distribution network includes key international markets for sales of pearls internationally and for by-products in Indonesia. In all of the places it does business, bribery, fraud and many other forms of corruption are criminalised and regulated by a wide array of applicable laws. Breach of these laws can have very serious consequences for Atlas as well as for individuals involved in the conduct. Legal consequences include significant criminal and civil penalties or fines, criminal convictions and imprisonment. Business consequences can also be very serious, and include potential liabilities, exclusion from bids, loss of business, and damage to relationships and reputation.

Atlas's framework for business ethics is endorsed by senior management and the Board of Directors (the **Board**), who seek to reinforce Atlas's strong business ethics and culture of compliance with strong practices and procedures. The framework is designed to meet the most stringent ABC laws that may apply to Atlas.

This Policy forms part of Atlas's framework for business ethics, and should be read in conjunction with other Atlas Policies, including its Code of Ethics [[hyperlink](#)] and its Whistleblower Policy and Procedure [[hyperlink](#)]. In addition, the following procedures (**the Procedures**) form part of, and should be interpreted and implemented in accordance with, this Policy:

- Gifts, Hospitality, Charitable Donations, and Sponsorships Procedure (**Annexure A**); and
- Third Party Due Diligence Procedure (**Annexure B**).

The Procedures detail principles and requirements associated with giving or receiving gifts, hospitality, donations or sponsorships and engaging a third party, including a Business Partner.

If you identify a conflict between this Policy, anti-bribery and corruption laws and any other applicable regulation, policy, procedure or guidance, you must adhere to the most stringent requirement applicable (the highest standard). If you are unsure which requirement is applicable, you must contact the Chief Financial Officer [or Chief Executive Officer] (collectively referred to in this Policy as **Compliance Officer**) for confirmation.

Who does this Policy apply to?

This Policy applies to Atlas and its directors, officers, employees, contractors, subcontractors, secondees and any other party representing Atlas or Atlas's interests under Atlas's operational control (**Atlas Personnel**).

In addition, Atlas will seek to have the Policy apply to third parties with whom it has a business relationship but over which it has no direct operational control (for example, third parties in which it has a minority interest, joint venture partners [eg, Nomads], business partners, or other third parties such as consultants, agents, introducers, political advisors) (**Business Partners**). Third parties that do not interact with other external parties on behalf of Atlas are not Business Partners for the purposes of this Policy (eg, customers, utility companies, banks, suppliers of goods or equipment). Further guidance on the types of third parties who are Business Partners is set out in the Dealing with Third Parties section of this Policy.

Atlas expects that its Business Partners will have similar values and policies that apply to their dealings, including dealings with Atlas. Where Business Partners have a policy which substantially meets the principles and requirements set out in this Policy, Atlas may accept a commitment by that entity to comply with that entity's own policy in place of requiring a commitment to comply with this Policy. Otherwise, Atlas will seek to have the third party comply with this Policy. Atlas will conduct appropriate, risk based due diligence on all third parties prior to entering any business relationship with them.

What is the purpose of this Policy?

The purpose of this Policy is to:

- explain what conduct is required and expected of Atlas, Atlas Personnel, and Atlas's Business Partners in upholding Atlas's business ethics and standards; and
- provide information and guidance on how to recognise and deal with potential instances of bribery and corruption to assist Atlas and Atlas Personnel to comply with this Policy and all of their legal obligations in connection with bribery and corruption.

Of course, no policy can anticipate all situations that might arise in the course of business operations, nor can it provide examples of every type of corrupt conduct that might be encountered. The objective of the Policy is to provide you with the

knowledge to identify potential issues so that you can apply the Policy and know where to obtain assistance if you have questions or are unsure of what to do.

What happens if this Policy is breached?

Atlas considers a breach of this Policy by Atlas Personnel to be serious misconduct. Disciplinary action may be taken against anyone who breaches this Policy. The nature of the disciplinary action will depend on the severity of the breach, but may include a reprimand, formal warning, demotion, or termination of employment. Depending on the circumstances, Atlas may also report conduct to regulatory bodies and law enforcement authorities.

If a Business Partner does not comply with this Policy, Atlas will review, and may terminate, any agreement or engagement that Atlas has with that Business Partner.

Bribery and many other forms of corruption are crimes which can have very serious consequences for Atlas and individuals involved in the conduct, including criminal and civil penalties or fines, criminal convictions and imprisonment. Business consequences can also be very serious, and include potential liabilities, loss of business, damage to relationships, exclusion from bids, and other such outcomes.

Key terms

This section highlights several key terms and concepts. There are also terms defined elsewhere in the Policy, and where that occurs the terms appear in **bold font** at first definition, and apply throughout.

Anti-bribery and corruption laws (ABC Laws) are that laws criminalise or otherwise address bribery and other forms of corruption. Many of these laws have 'extraterritorial reach', and so regulate conduct anywhere in the world if certain (sometimes minimal) connections exist with the country of the law. For the purposes of this Policy, ABC Laws include:

- the *Criminal Code Act 1995* (Cth), the *Corporations Act 2001* (Cth), or any other anti-Corruption law of the Commonwealth or States of Australia (including any applicable State Criminal Code, common law, law of equity, statute, regulation or other instrument made under statute or by any government agency);
 - the *Foreign Corrupt Practices Act 1977* (US) and the *United States Code, Title 18 and section 666*;
 - Indonesian anti-corruption laws and regulations, including the *Law No. 11 of 1980 on the Criminal Act of Bribery* (Indonesia), the *Law No. 31 of 1999 on the Eradication of the Criminal Act of Corruption as amended by Law No. 20 of 2001* (Indonesia), and the *Supreme Court Regulation No.13 of 2016* (Indonesia);
 - the *Bribery Act 2010* (UK); and
 - the anti-corruption laws of any country or territory in, or with which, Atlas conducts business any other anti-
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corruption law which applies to Atlas, its business partners or third parties operating on its behalf.

These laws are broad, and prohibit corrupt conduct in relation to both public activities (eg, corrupt conduct involving domestic and/or foreign public officials) and private activities (eg, corrupt conduct involving only private entities).

Bribery is the offering, promising, giving or accepting or soliciting of anything of value (including a financial or other advantage) to improperly influence actions. Improper influence involves the intent to induce an action which is illegal, unethical or a breach of trust (a misuse of someone's position).

Corruption is a dishonest activity involving the abuse of position and/or trust to get an advantage or benefit not legitimately due (whether a personal advantage or an advantage for a company or other entity). It includes bribes, extortion and fraud, but captures a broader category of unethical or dishonest conduct. Fraud is a form of criminal corruption and includes any theft or misappropriation of Atlas's funds or assets, including but not limited to money, plant, equipment or inventory, confidential information or intellectual property. Other types of fraudulent activity include falsification of books or records for the purpose of deception or to mislead others. A reference to corruption in this Policy includes fraud.

A **Public Official** includes, but is not limited to:

- (a) any official, employee, agent or representative of a government or regulatory body (whether national, state/provincial or local) or agency, department or instrumentality of any government (including various branches or arms of government – judicial, legislative, executive, administrative, or otherwise);
- (b) a director, officer or employee of a government-owned or controlled entity (including State-owned or controlled enterprises);
- (c) any official or employee of a public international organisation (eg, the UN, the World Bank, etc);
- (d) any person acting in an official function or capacity for a government, agency, instrumentality, entity or organisation;
- (e) any person who holds or performs the duties of any appointment created by custom or convention or who otherwise acts in an official capacity (including some indigenous or tribal leaders who are authorised and empowered to act on behalf of the relevant group of indigenous peoples and members of royal families);
- (f) a political party official, or candidate for political office; and
- (g) any person who holds themselves out to be an authorised intermediary of a Public Official.

If you are unsure whether an individual is a Public Official, please contact a Compliance Officer.

What are some examples of bribery or corrupt conduct?

Bribery can take many forms, is often disguised and may be difficult to trace or detect. Some examples of common types of benefits offered as bribes or conduct used to disguise or hide bribes, include:

- currency (or cash equivalents such as shares, gift cards, etc);
- gifts, entertainment or hospitality (including free or discounted upgrades, free or heavily discounted flights, accommodation or other products) (as detailed in the Gifts, Hospitality, Charitable Donations and Sponsorships Procedure) ;
- charitable donations, sponsorships (eg, to a person or entity associated with a target sought to be influenced) (as detailed in the Gifts, Hospitality, Charitable Donations and Sponsorships Procedure);
- political donations or political activity;
- benefits and ‘perks’ to relatives and/or friends, including employment, education, training, etc;
- excessive or unjustified discounts or rebates;
- inflated or false invoices (or enhanced fees/commissions);
- unwarranted allowances or expenses;
- kickbacks (often provided through a hidden or disguised fund);
- favourable decisions (such as awarding contracts, licences, etc) other than through approved and transparent procurement processes;
- facilitation payments also known as “grease payments” (these are a specific type of bribe, and are dealt with in more detail in a separate section, below);
- uncompensated use of company services or facilities;
- favourable access to information (eg, inside information regarding a tender criteria);
- anything else of value to the recipient or person sought to be influenced; or
- another advantage not legitimately due (whether financial or not).

In addition, when trying to recognise a bribe, it helps to remember that a bribe can be:

- *Public or private:* Bribery may involve dealings with Public Officials or with private individuals or enterprises.
- *Direct or indirect:* Bribery or the benefit of bribes may be direct, or it may be indirect, for example, involving an

intermediary or agent of the person giving or receiving the bribe or the benefit. In addition, the provision of a benefit or thing of value to a person other than the person whose conduct is sought to be influenced is still a bribe (eg, paying tuition for the relative of an official in order to influence the official's decision in the company's favour is a bribery offence).

- *Small or large, or even never provided:* Bribes need not involve large sums of money, and a bribery offence may be committed even if no money is exchanged at all (an offer is enough).
- *Successful or unsuccessful:* Even an 'unsuccessful' bribe may be a criminal offence (eg, the benefit is provided but the conduct sought to be induced does not occur or the outcome sought is not otherwise achieved). An example of this is where an agent bribes an official to influence the award of a mining license, but the license is awarded to another entity.

What conduct does this Policy require?

Atlas and Atlas Personnel must:

- act with integrity in connection with their business dealings, avoiding even the appearance of impropriety;
- read, understand and comply with this Policy, the Procedures and related policies and attend training sessions as requested;
- participate in and encourage open and frank communication regarding ethical business conduct. Ask questions if you are uncertain about an aspect of this Policy (or a related policy), or about any conduct or suspected conduct that might breach this policy. You can seek guidance from your manager.
- be alert for warning signs of corrupt conduct and immediately report or seek guidance about any suspected or actual violation of this Policy;
- report instances where improper payments (including Facilitation Payments) are requested of any Atlas Personnel or Business Partner as soon as possible after the request is made;
- check whether any Public Official or governmental body you deal with has their own code of conduct or are subject to local laws relating to acceptance of hospitality and gifts, and if so, confirm with a Compliance Officer that Atlas is aware of that code or policy so that it can be sensitive to any special requirements;
- maintain timely, accurate and complete books and records of, and internal controls over, all expenditures made by or on behalf of Atlas;
- reward individuals for actively seeking to comply with and enforce this Policy and the Procedures, including those

who engage in open discussion on the topic, refuse to engage in bribery or other corrupt conduct, or support others who so refuse;

- discipline individuals who violate this Policy;
- conduct appropriate due diligence into potential contractors, subcontractors, counterparties, agents, joint venturers and other Business Partners and ensure that they comply with this Policy or that their own anti-bribery and corruption policy is consistent with this Policy; and
- include appropriate contractual requirements in agreements with third parties (including Business Partners) (or seek to introduce appropriate clauses in existing agreements, where proportionate to risk) to ensure that Atlas has adequate contractual protections (including, for example, warranties and guarantees) and rights (including, for example, notification, indemnification, audit, and termination).

What conduct is prohibited? Atlas and Atlas Personnel must not, directly or indirectly, engage in bribery or corrupt conduct, including by:

- giving, offering to give, accepting or requesting a bribe in any form (and must not cause another to do so either);
- making a Facilitation Payment (or cause or allow one to be paid on Atlas's behalf) (see section below regarding Facilitation Payments);
- authorising, undertaking or participating in any form of corrupt business practice (such as a scheme that gives any improper benefit, kick-back or secret commission to anyone) whether for their own or someone else's benefit or for the benefit of Atlas;
- engaging any third party to do something that Atlas or any Atlas Personnel is prohibited from doing under this Policy; or
- seeking to improperly influence certain dealings with Public Officials which include making donations or giving gifts, entertainment or hospitality.

Atlas and Atlas Personnel must not retaliate in any way or otherwise take adverse action against, or cause any detriment to, any person for reporting a suspected violation of this Policy where there are reasonable grounds to suspect such a violation (these requirements are more fully detailed in Atlas's Whistleblower Policy and Procedure).

If you are not sure whether particular conduct, behaviour or practices are acceptable you must check with a Compliance Officer **before** engaging in the behaviour.

Gifts and Hospitality pose a special risk: Policy and Procedure

Atlas recognises that giving reasonable gifts and sharing hospitality (eg, coffee, meals and entertainment) in connection with a legitimate business purpose can foster constructive business relationships and may serve legitimate business purposes.

However, gifts and hospitality are a very commonly misused as a cover for bribes or improper payments. Accordingly, there are limitations imposed and specific requirements which must be understood and followed in relation to giving gifts or hospitality, including in relation to approvals and recordkeeping.

Atlas's Gifts, Hospitality Charitable Donations and Sponsorships Procedure (**Annexure A**) details the steps that Atlas Personnel must take in relation to gifts and hospitality and provides relevant forms.

All gifts and hospitality must be recorded in the Gifts and Hospitality Register (Form 2 of Annexure A), and receipts provided as required.

Charitable Donations and Sponsorship pose a special risk: Policy and Procedure

Charitable Donations: Atlas supports a number of charitable causes, including by making charitable donations, without expectation or acceptance of favourable action or the exercise of influence. Donations are a way for Atlas to contribute to worthy causes and are made as part of Atlas's commitment to act as a responsible corporate citizen. In some circumstances, the decision to make a charitable donation may be, or be seen to be, a bribe or corrupt act, for example, where the subject charitable organisation is a sham or front, or is affiliated in some way with a third party the company may wish to influence, such as a client or Public Official.

Sponsorships: Sponsorships differ from charitable donations in that, in addition to providing a benefit to the organisation, event or activity being sponsored, sponsorships provide a marketing benefit for Atlas.

Atlas's Gifts, Hospitality, Charitable Donations and Sponsorships Procedure (**Annexure A**) details the steps that Atlas Personnel must take before making such contributions, and provides relevant forms.

Dealings with Public Officials pose a special risk: gifts, hospitality and political activity

Dealings with Public Officials carry a higher degree of corruption and bribery risk than other business dealings, because of their position of authority and power and the way that ABC Laws operate. Consequently, Atlas takes special precautions regarding dealings with Public Officials.

Gifts and hospitality: There may be circumstances where giving gifts, entertainment or hospitality (including travel) to Public Officials is a legitimate and justifiable business activity. In every such case, Atlas Personnel must obtain approval for the gift or hospitality prior to offering it. Atlas's Gifts, Hospitality, Charitable Donations, Sponsorships and Political Activity Procedure (**Annexure A**) details the steps that Atlas Personnel must take in relation to any gift or hospitality involving a Public Official and

provides relevant forms.

Political donations: Atlas does not make political donations to any political party, politician or candidate for public office in any country. Atlas Personnel must not make a political contribution stated to be, or which could be taken to be, made on Atlas's behalf.

Attendance at political functions: Attendance at party-political functions on behalf of Atlas or in one's capacity as Atlas Personnel must be approved in advance by a Compliance Officer, and is only permitted where there is a legitimate business reason. Atlas must keep a written record of any such attendance (including the cost of attendance) in the central Political Functions Register, maintained by the Compliance Officer.

Lobbying: From time to time, and as deemed appropriate by [the Board or its delegee], Atlas may engage in debate on policy and share its view on policy matters relevant to its business activities. Such lobbying activities are only permitted with advance approval of the Board, and in a manner consistent with Atlas's values and this Policy.

Facilitation Payments are prohibited

A Facilitation Payment is a type of bribe- it is small payment or other inducement provided to a Public Official in order to secure or expedite a routine function that the official is already obliged to perform. It is not uncommon for Public Officials in some jurisdictions to demand such payments, particularly in relation to border control and customs clearance (ordinary or expedited), licencing and permitting, policing services, and even delivery of common services such as garbage pick-up. Facilitation payments may also be solicited to avoid an undesirable event (eg, a long delay in issuing a permit, or something more personal, like not allowing transport or passage along a road). Such demands for payment are almost always illegal extortion attempts under local law, and any resulting payments may be Facilitation Payments.

Facilitation Payments:

- are a form of corruption;
- are illegal in most countries; and
- open the door to more serious corruption.

Atlas strictly prohibits the paying of Facilitation Payments in the conduct of its business.

Atlas Personnel must not make such payments even where they are typical under local customs or norms unless they reasonably believe that there is an *immediate and credible threat* to their or another's physical safety or security absent payment. Some examples of situations which might give rise to such a belief include:

- being stopped at a checkpoint or along a road by police, military or paramilitary personnel, or militia (uniformed or

not) who demand payment as a condition of passage of persons or property and behave in an intimidating or threatening manner (eg, touching their weapon, shouting or otherwise intimidating);

- being stopped at a port by customs, border control or military personnel (uniformed or not) who demand payment for entry or exit of persons or property and behave in an intimidating or threatening manner; or
- being asked by persons claiming to be security personnel, immigration control, or health inspectors to submit to an allegedly required inoculation or other similar medical procedure, but a payment will avoid this.

Atlas Personnel must not risk their safety or the safety of others.

Reporting and financial records

Where a demand for a Facilitation Payment is made, Atlas Personnel must immediately report to a Compliance Officer:

- the fact and circumstances of the demand; and
- if a payment is made due to immediate and credible threat, the details of any payment made (with accompanying receipt, if possible).

Depending on the situation, a Compliance Officer may determine that it is appropriate to report the issue to that individual's consulate and/or embassy, or to the relevant local authorities (including authorities of the individual's home jurisdiction).

The making of such a payment must **always be recorded** in Atlas's books and records. Aside from recording of the payment being necessary to keep accurate books and records, failure to record such a payment will eliminate the availability of a possible defence to criminal charges under some laws.

How do I report a breach or suspected breach of this Policy?

Atlas Personnel must be alert for warning signs of corrupt conduct and immediately report or seek guidance about any suspected or actual violation of this Policy, a Procedure, or a related policy. Reporting may be through your immediate supervisor, a Compliance Officer, Atlas's Chair or otherwise through Atlas's Whistleblower Policy and Procedure (which has specific procedures for anonymous reporting). The sooner Atlas can detect potential corruption or related issues, the sooner it can address the situation, manage risk and take appropriate measures to minimise harm.

Any report will be kept confidential and may be a protected disclosure under Atlas's Whistleblower Policy and Procedure and the laws discussed in that policy.

A reported suspected breach will be appropriately investigated and addressed by Atlas, using the procedures set out in the Whistleblower Policy and Procedure.

As more fully set out in its Whistleblower Policy and Procedure, Atlas is committed to ensuring that no one suffers any retaliation or detrimental treatment (including disciplinary action, threats of any kind, or any other repercussions) because of reporting a suspected violation of this Policy where there are reasonable grounds to suspect such a violation. Atlas will take action against any person engaging in retaliatory conduct.

Record keeping

Atlas has appropriate internal controls in place and requires the keeping of accurate and complete records, which evidence the business reason for making any payments to third parties and which document due diligence assessments.

Atlas Personnel must ensure that:

- all expenses relating to hospitality, gifts or expenses incurred in relation to third parties are submitted in accordance with this Policy and the Gifts, Hospitality Procedure, Charitable Donations and Sponsorships Procedure (Annexure A);
- all accounts, invoices, notes and other documents and records relating to dealings with third parties, such as customers, suppliers, business contacts, and any Public Official are prepared and maintained with accuracy and completeness;
- no accounts are kept “off the record” for any reason, including to facilitate or conceal any improper payments;
- no false or misleading entries are made in the books and records of Atlas for any reason;
- all contracts and other documents accurately describe the transactions to which they relate; and
- all applicable control and approval procedures are followed.

No payment on behalf of Atlas may be approved without adequate supporting documentation nor may it be made with the intention or understanding that all or part of such payment is to be used for any purpose other than that described in the documents supporting the payment.

DEALING WITH THIRD PARTIES, INCLUDING BUSINESS PARTNERS

Third Party Due Diligence Procedure

Atlas’s Third Party Due Diligence Procedure (**Annexure B**) details tiered third party due diligence procedures and provides relevant forms.

Special risks posed by relationships with third parties and required third

From time to time, Atlas may engage a third party to, for example:

- represent Atlas’s interests, for example, to current and potential private or government business partners, such as a sales
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party due diligence

agent, a customs clearing agent or a lobbyist (an intermediary);

- conduct work on behalf of Atlas (a contractor); or
- work with Atlas on a particular project or matter (such as a joint venture partner or business partner).

Because Atlas may be responsible for the acts of such third parties and their personnel in circumstances where it does not exercise operational control, such arrangements can pose a high degree of risk, and an appropriate level of due diligence and risk management must be undertaken **prior to engagement of third parties**.

As noted at the outset of this Policy, those third parties engaged to represent Atlas's interests or to provide services on behalf of Atlas are called Business Partners and Atlas requires them to comply with this Policy (or an equivalent policy of their own). Those third parties who do not represent Atlas in this way do not pose the same risk. The following examples help provide clarity regarding who is, and who is not, a Business Partner.

Example of third party	Business Partner?
Any third party acting for or on behalf of Atlas	Yes
Political advisor or consultant dealing with Atlas's relations with Public Officials	Yes
Security consultant interacting with military or police forces at the instruction of Atlas	Yes
Agent processing visas for Atlas	Yes
Travel agent responsible for making travel arrangements for Public Officials on Atlas's behalf	Yes
Customs broker working on behalf of Atlas	Yes
Supplier of goods or machinery used by Atlas on-site	No
Agent instructed to assist Atlas in obtaining environmental permits for Atlas	Yes
Agency engaged by Atlas to train Personnel	No
Freight forwarder engaged by Atlas regarding the export of concentrate	Yes
Customer purchasing from Atlas	No

Due Diligence Questionnaire and further due diligence

Atlas shall require each potential Business Partner to complete the appropriate due diligence questionnaire and compliance certificate, which will be reviewed by a Compliance Officer, who will then determine the appropriate level of due diligence necessary prior to any engagement.

Due diligence will be “appropriate” if it is in proportion to the corruption risk posed by the third party in the circumstances. Factors relevant in determining the level of risk (and so the level of due diligence necessary) include:

- the location and nature of the services provided (high risk countries require heightened diligence);
- the nature of the transactions (those involving Public Officials require heightened diligence);
- the industry and profile of the third party (some are known to have higher incidence of corruption, eg, construction);
- high value matters/projects, projects involving vesting a lot of authority or low levels of monitoring of personnel; and
- use of agents in country (particularly risky).

A Compliance Officer will assess the content of the questionnaire and identify any “red flags” that may indicate corruption risk. For example, more corruption risk is associated with any Business Partner who will be providing services in a country with a history of corruption or who will be interacting with Public Officials on behalf of Atlas.

Depending on the level of potential risk, due diligence may include one or more of the following steps:

1. performing a basic internet search to determine if the Business Partner has any close ties to Public Officials, if media reports raise questions about the reputation of the Business Partner, or if any other potentially troublesome information arises;
2. requesting and checking the Business Partner’s references and qualifications;
3. identifying the legal and ownership structure of the Business Partner, including whether it is owned or controlled, in whole or in part, by any Public Official;
4. checking with local embassies, law enforcement, and business groups to verify the Business Partner’s bona fides and ethical reputation; and
5. checking various government debarred lists.

Atlas will not engage a Business Partners if there is any reason to suspect that it may attempt, directly or indirectly, to violate this Policy.

Written agreement

No Business Partner may act on Atlas's behalf, and Atlas shall not be liable to pay any Business Partner, until:

1. Atlas and the Business Partner enter into a written contract; and
2. the engagement is approved by both the relevant Atlas business unit responsible for the relationship and a Compliance Officer.

Atlas will generally require that the written contract include anti-corruption provisions, such as:

- a commitment from the third party to comply with this Policy (or an equivalent policy of its own);
- guarantee and indemnity clauses;
- a clause permitting Atlas to terminate the contract for suspected violation of this Policy on reasonable grounds; and
- audit rights that allow Atlas to examine the third party's books and records relevant to its work for or on behalf of Atlas.

Strictness of those clauses will vary based on perceived risk.

Ongoing due diligence

Atlas shall perform periodic due diligence updates throughout the Business Partner's engagement. In addition, Atlas will be diligent in following up any "red flags" that arise during the relationship (eg, irregularities in invoicing, payment demands or other matters).

TRAINING AND COMMUNICATION, EXCEPTIONS AND REVIEW OF POLICY

Training and communication

Atlas will regularly communicate this Policy to Atlas Personnel through its established communication channels and will provide training where appropriate. Atlas Personnel must attend training when requested.

Atlas encourages open communication regarding this Policy and any matters which may arise under it.

As no policy can address every possible situation that may arise to which it may apply, this Policy is intended to serve as a source of guiding principles and to encourage open dialogue and communication.

Exceptions to this Policy

Atlas Personnel must obtain written approval from a Compliance Officer before taking any action that is inconsistent with this Policy.

Review of this Policy

A formal review of this policy takes place annually, and the policy will be updated in light of legal developments and any

improvements suggested by experience during the intervening period. Outcomes from audits (including any special audits and/or investigations) will also be taken into account in updating the Policy. Revisions are effective immediately upon posting. Atlas Personnel must review this Policy whenever it is updated, and otherwise annually, to ensure they are in compliance. This Policy is available on Atlas's website.

ANNEXURE A

Gifts, Hospitality, Charitable Donations and Sponsorships Procedure

Purpose of this Procedure This Gifts, Hospitality, Charitable Donations and Sponsorships Procedure forms part of Atlas's Anti-bribery and Corruption Policy. It further explains Atlas's policy and requirements regarding gifts, hospitality, charitable donations and sponsorships, and also provides relevant forms.

What is the risk associated with gifts and hospitality? Atlas recognises that giving reasonable gifts and sharing hospitality (eg, coffee, meals and entertainment) in connection with a legitimate business purpose can foster constructive business relationships and may serve legitimate business purposes. However, gifts and hospitality are commonly misused as a cover for a bribe or improper payment with the purpose of seeking favourable treatment or improperly influencing decisions.

What are some examples of gifts? A gift is something given as a mark of friendship or appreciation, or celebration. They are often given at special occasions or as part of cultural or social celebrations, or to mark a milestone. They are things given without expectation of consideration or value in return. Examples of gifts include:

- Cash or cash equivalent (eg, vouchers, gift certificates, pre-paid cards, cheques);
- Use of site commissary, petrol station, other services;
- Food or beverages (gift baskets, wine, champagne);
- Medical care;
- Equipment or electronics;
- Stocks, securities or participation in stock offerings;
- Use of vehicles or vacation facilities;
- Discounts or loans;
- Tickets to events or places;
- Home improvements;
- Prizes;

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- Jewellery or artwork;
 - Transportation / travel (which may also be hospitality).
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What is hospitality?

Hospitality involves hosting or entertaining a third party at no or reduced cost to the third party. It includes hosting (and accompanying) a third party to an event, such as:

- recreational activities (eg, golf, spa treatments, surfing, etc);
- music or sports events (eg, concerts, races, football matches, etc); and
- business meals.

Hospitality also includes hosting a third party for a visit or tour of an Atlas operation, site or facility, where travel, meals or accommodation at Atlas's expense are involved.

Atlas Personnel must include all hosting expenses when assessing the value of the hospitality. Hosting expenses include transportation (eg, air travel), accommodation and related expenses. It is almost always inappropriate to pay for the hosting expenses of a guest's relatives.

If you offer hospitality to any person, but do not plan to attend the event yourself, this is a gift.

Gifts and hospitality for Public Officials

Because Public Officials hold unique capacity to offer benefits or extort bribes due to their position of authority, gifts and hospitality involving a Public Official pose a heightened risk. Consequently, Atlas requires that Atlas Personnel exercise a high level of diligence and caution in offering or giving gifts or hospitality to Public Officials.

In every case, prior approval for any gift or hospitality for a Public Official must be obtained from a Compliance Officer.

The gift or hospitality and related conduct must otherwise comply with the requirements set out below relating to gifts to other third parties.

When might it be acceptable to give or receive gifts or hospitality?

Gifts and hospitality on a modest scale are commonly used to build goodwill and strengthen working relationships. The practice of giving business gifts varies between countries and regions, and what may be normal and acceptable in one region may not be in another. Importantly, if it is 'normal and acceptable' to pay or accept bribes or corrupt conduct in a region where Atlas operates, that **does not** have any relevance to determining whether conduct is acceptable under this Policy.

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 can never be for the purpose of influencing a person

corruptly or improperly in the exercise of their duty, nor should it give the appearance that it might do so (eg, because it is given/received at a sensitive time, such as in connection with an anticipated or pending tender, bid, license application, etc).

Atlas permits the giving and receiving of gifts and hospitality that:

- comply with the per person and cumulative limitations on value in the tables in this Procedure, and with pre-approvals obtained as required;
- do not breach Australian or local laws and regulations;
- to Atlas Personnel's knowledge, do not breach the recipient's internal policies and standards;
- are given or received in good faith without the expectation of any improper benefit or advantage (*no quid pro quo*);
- have a legitimate and justifiable business purpose (eg, building a business relationship or continuing business discussions over a meal);
- are decent, tasteful and consistent with generally accepted standards for professional courtesy;
- are not excessive or extravagant, having regard to the value to the recipient, the occasion on which they are given, the position or role of the recipient (eg, World Cup tickets with air fare or travel for family as well as the business guest);
- are transparently given or received (eg, not hidden or disguised). There is sufficient documentation and information to identify the giver/recipient, the nature, value and purpose/occasion relating to the benefit;
- are not likely to be perceived to impair independent business judgement, having regard to factors such as any anticipated or pending tender, business transaction or the like; and
- are not cash or cash equivalents (such as cash cards, gift certificates, etc).

If you are not sure whether it is appropriate to give or receive a gift, discount, hospitality, entertainment or other benefit, you must consult with a Compliance Officer. If a gift is inappropriate or breaches this Policy or Procedure, you must notify a Compliance Officer and not accept the gift, or, if it has been delivered, must promptly return it. If you believe it would be insulting to do so, speak to a Compliance Officer, who will assess the situation and determine what to do in keeping with this Policy and Procedure.

Limitations, prior approvals

You must comply with the approval requirements for gifts and hospitality set out in the following table.

and record keeping

Where approval is required, it must be obtained from a Compliance Officer prior to provision of the gift or hospitality, and using the **Pre-Approval Request Form for Gifts and Hospitality (Form 1)**.

All gifts and hospitality valued at more than \$40 must be recorded in the Gifts and Hospitality Register (Form 2), and receipts must be kept (and should be provided as required). Receipts may be held and produced/provided electronically.

It is not permitted to personally pay for gifts or hospitality which is, or may be perceived to be, given in connection with Atlas business or in your role as Atlas Personnel, but if that happens for some reason, an expense report must be submitted and the gift or hospitality must be recorded in the Gifts and Hospitality Register. Receipts are required for expense claims.

Gift or Hospitality	Approval Requirements	Recording Requirements
Valued at less than AUD \$200*	No pre-approval required	Must record anything values at more than AUD \$40 in the Gifts and Hospitality Register (Form 2)
Valued at more than AUD \$200*	Compliance Officer approval required Must complete the Pre-Approval Request Form for Gifts and Hospitality (Form 1) .	Must record in the Gifts and Hospitality Register (Form 2)
Multiple gifts cumulatively worth less than \$600*	No pre-approval required	Must record in the Gifts and Hospitality Register (Form 2)
Multiple gifts cumulatively worth more than \$600*	Compliance Officer approval required Must complete the Pre-Approval Request Form for Gifts and Hospitality (Form 1) .	Must record in the Gifts and Hospitality Register (Form 2)
Valued at less than \$1500 per organisation**	No pre-approval required	Must record in the Gifts and Hospitality Register (Form 2)

Valued at more than \$1500 per organisation**	Compliance Officer approval required Must complete the Pre-Approval Request Form for Gifts and Hospitality (Form 1) .	Must record in the Gifts and Hospitality Register (Form 2)
Involving air travel or accommodation	Compliance Officer approval required Must complete the Pre-Approval Request Form for Gifts and Hospitality (Form 1) .	Must record in the Gifts and Hospitality Register (Form 2)
<p>* Value: Gift and hospitality value limits are per recipient, per year.</p> <p>**Organisation: Gift and hospitality limits to or from a single organisation are spread across multiple individuals in any one year period and so not exceeding the per person values above.</p>		

Monitoring and review of Gifts and Hospitality Register

A Compliance Officer will review the Gifts and Hospitality Register approximately every six months, but in no event less than once per year. This will assist identification of patterns, potential conduct of concern, and implementation and enforcement of this Policy.

Charitable Donations, Sponsorship and Political Activity

This Policy details the steps that Atlas Personnel and Business Partners must take before making such contributions or engaging in specified political activity, and provides relevant forms (attached).

What risk do charitable donations pose and what requirements apply to them?

Atlas supports a number of charitable causes, including by making charitable donations, without expectation or acceptance of favourable action or the exercise of influence. Donations are a way for Atlas to contribute to worthy causes and are made as part of Atlas’s commitment to act as a responsible corporate citizen. In some circumstances, the decision to make a charitable donation may be, or be seen to be, a bribe or corrupt act, for example, where the subject charitable organisation is a sham or front, or is affiliated in some way with a third party the company may wish to influence, such as a client or Public Official.

Consequently, charitable donations on behalf of Atlas must:

- be made only to approved, registered not-for profit organisations whose goals reflect Atlas’ values;
- be approved by a Compliance Officer;

- be accurately recorded in the business records of Atlas;
- not be made to individuals or for-profit organisations,
- not be made in cash or to accounts not clearly affiliated with the approved charitable organisation; and
- not be subterfuge for bribery or contrary to law.

How do sponsorships differ?

Sponsorships differ from charitable donations in that, in addition to providing a benefit to the organisation, event or activity being sponsored, they are also aimed at obtaining a marketing benefit for Atlas.

Atlas will not sponsor events or activities that are:

- inconsistent with Atlas's values and policies; or
- linked to any organisation or individuals that could bring Atlas into disrepute.

Gifts and Hospitality Procedure: Forms

Contents

Forms	Heading
Form 1	Pre-Approval Request Form for Gifts and Hospitality
Form 2	Gifts and Hospitality Register

ANNEXURE B

Third Party Due Diligence Procedure

This Third Party Due Diligence Procedure forms part of Atlas's Anti-bribery and Corruption Policy (the Policy). The definitions in the Policy apply in this Procedure.

As set out in the Policy, when Atlas is considering the engagement of a third party as a Business Partner, Atlas must conduct reasonable due diligence to assess and evaluate any potential anti-corruption concerns or risks. The due diligence process is critical to detect "red flags" and resolve them appropriately before deciding whether and how to move forward with any proposed Business Partner.

The necessary due diligence process will vary depending on several factors, including the geographic location of the Business Partner (ie, high-risk locale versus low-risk locale), the type of relationship or services to be provided, and other facts known at the time. Where appropriate under the circumstances, the Business Partner should be counseled on compliance with the Policy and this Procedure and should be instructed on how to comply with all applicable ABC Laws, the Policy, and this Procedure.

Specifically, before retaining or entering into a business relationship with a Business Partner, and before the proposed Business Partner conducts any activity on behalf of Atlas, or represents Atlas in any way, proper due diligence must be completed (as further described below) and a written agreement executed.

A **flowchart** of the below procedure is found at **Appendix A**.

Step 1 of Due Diligence Process

Forms to be completed

Before agreeing to do business with any prospective Business Partner, the relevant Atlas Personnel responsible for conducting due diligence on a potential Business Partner (**Responsible Personnel**) shall:

- require each potential Business Partner to complete the appropriate Due Diligence Questionnaire (attached as **Form 1** for entities or **Form 2** for individuals and sole proprietorships) and Compliance Certificate (**Form 4**) (**Level One Due Diligence**);
- upon receipt of the Due Diligence Questionnaire (**Form 1** or **Form 2**) from the potential Business Partner, ensure completeness of the Due Diligence Questionnaire and verify the following:
 - all questions, blanks, and boxes are answered, complete, and/or checked;
 - all certificates, licenses, and corporate documents as required by the Due Diligence Questionnaire are attached, or if not, an explanation is provided;

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- the certificate attached to the Due Diligence Questionnaire is executed by an authorised representative of the Business Partner (eg, president, director, authorized officer, owner, etc); and
 - whether the Due Diligence Questionnaire is true and correct (to the best knowledge of those reviewing it) and also whether any of the persons named in the Due Diligence Questionnaire is a Public Official as defined in the Policy;
 - complete Part I of the Due Diligence Evaluation Form (**Form 3**); and
 - send the completed Due Diligence Questionnaire (**Form 1** or **Form 2**), the completed Compliance Certificate (**Form 4**), as well as the partially-completed Due Diligence Evaluation Form (**Form 3**), and, if applicable, the draft written agreement with the prospective Business Partner to the CFO/Managing Director for follow-up review and approval.

Notification of concerns raised by the Due Diligence Questionnaire or otherwise

The Responsible Personnel must notify The Compliance Officer of any concerns or issues raised in their review of the Due Diligence Questionnaire before taking any additional steps regarding the possible relationship with the proposed Business Partner.

Obtain approval to proceed

The Responsible Personnel must obtain written approval from a Compliance Officer (which may be made via email or any other writing) before engaging or conducting any activities with the Business Partner.

Step 2 of Due Diligence Process

Following receipt of the completed Due Diligence Questionnaire and other information obtained in Step 1 above, the Compliance Officer shall:

- review Part I of the Due Diligence Evaluation Form (**Form 3**) as completed by the Responsible Personnel; and
- consider whether circumstances require that any or all of the following additional steps (**Level Two Due Diligence**) be taken in order to better understand the risk related to the Business Partner, and, if so, take one or both of the following measures:
 - obtain a background report from Dun & Bradstreet, Kroll or other similar commercial background reporting agency; and/or
 - obtain more detailed background reports from well-established third party investigative services.

In determining whether Level Two Due Diligence is necessary, the Compliance Officer should consider:

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- the **level of risk of the location** of the Business Partner's operations;
 - the **extent** to which the potential Business Partner is **expected to interact with Public Officials**;
 - whether any of the officers, directors, principals, owners, shareholders or other key personnel are **Public Officials, related to Public Officials, or have close personal relationships with Public Officials**;
 - the **structure and terms** of the transaction (eg, whether there is a need for a local partner);
 - whether a **commission will be paid to a representative**, the proposed rate of that commission and whether it is commercial;
 - any **Red Flags identified during Level One Due Diligence** (see examples in the **Appendix B**); and
 - whether there are **any other companies or individuals with equivalent expertise, knowledge, or skills** who can perform the proposed work.

Step 3 of Due Diligence Process

Following the receipt of Level Two Due Diligence (if required), the Compliance Officer shall:

- review the relevant background report obtained as part of the Level Two Due Diligence; and
- consider whether circumstances require that additional information must be collected in order to mitigate the risk of an engagement with the Business Partner, and, if so, take any or all of the following steps (**Level Three Due Diligence**) if deemed necessary to address potential compliance risks in connection with a relationship with the prospective Business Partner:
 - engage local counsel, accountants, consultants or other knowledgeable references to provide background information on the prospective Business Partner; and
 - conduct an in-depth investigation of the prospective Business Partner with the assistance of outside consultants, including, if necessary, an in-person interview with the relevant personnel from the potential Business Partner.

In determining whether Level Three Due Diligence is necessary, the Compliance Officer should consider the factors listed in Level Two Due Diligence above and any additional **Red Flags identified during Level Two Due Diligence** (see examples in the **Appendix B**).

Approval

The Compliance Officer may approve the engagement of a Business Partner if risks associated with the engagement have been resolved to their satisfaction following the completion of Level One, Level Two or Level Three Due Diligence (as appropriate). The Compliance Officer shall have the discretion to disqualify the prospective Business Partner from doing business with Atlas.

To approve the due diligence conducted, The Compliance Officer must **complete and sign** the Due Diligence Evaluation Form (**Form 3**), affirmatively indicating approval to enter into the relationship.

Anti-Bribery and Corruption Contractual Provisions

Business Partners approved by the Compliance Officer (following the completion of Level One, Level Two or Level Three Due Diligence (as appropriate)), may only be engaged by Atlas if contractual provisions are included in the written agreement between Atlas and the Business Partner in accordance with the Template Anti-Corruption Contractual Provisions (**Form 6**).

Record-keeping requirements

All documents associated with due diligence conducted with respect to the Business Partner and any other materials supporting the due diligence effort must be maintained in Atlas's Due Diligence files until five (5) years after the Business Partner has ceased doing business with Atlas.

Annual Certification

Atlas will obtain annual certification, in the form set out in **Form 5**, from each Business Partner with whom Atlas has a relationship as to compliance by that Business Partner with the applicable ABC Laws, the Policy, and this Procedure. A contractual obligation to provide such annual certification must be included in Atlas's written agreements with all Business Partners (as set out in **Form 6**).

Ongoing monitoring

Atlas will continue to monitor its engagement with approved Business Partners, including the consideration of any Red Flags (as included at **Appendix B**) throughout its relationship with the Business Partner. Any Red Flags identified as part of this ongoing monitoring must be reported to a Compliance Officer .