

Adoption date: 1 July 2020

## 1. INTRODUCTION

### 1.1 ASX Recommendations

ASX Recommendation 6.4 requires a listed entity to have and disclose an anti-bribery and corruption policy and ensure that the board or a committee of the board is informed of any material breaches of the policy.

1.2 This policy applies to the Waterco Group and its Employees, Directors, Contractors. The policy covers any activity or behaviour undertaken during the course of, or in connection with, employment or acting on behalf of the Waterco Group, regardless of the geographical location in which that activity or behaviour occurs.

### 1.3 Purpose of the policy

- (a) Waterco Limited ACN 002 070 733 is committed to conducting all dealings lawfully, ethically and in line with Waterco's values, as set out in Waterco's Statement of Values.
- (b) This policy sets out the principles that form the foundation for the Waterco Group's anti-corruption framework. This framework enables the Waterco Group to prevent, detect and respond to Bribery and Corruption risks and to comply with Australia's anti-corruption laws.
- (c) Australian laws prohibit the payment or transfer of any funds, assets, gifts or inducements of any kind to any person including Public Officials or officials in the private sector for an unlawful purpose, whether in the form of bribes or other payoffs.
- (d) Bribery and Corruption have serious consequences for companies and individuals involved. Consequences can include criminal and civil penalties or fines, criminal convictions and imprisonment.

### 1.4 Who does the policy apply to?

This policy applies to the Waterco Group and its Employees, Directors, contractors, suppliers and consultants.

### 1.5 Definitions

- (a) **ASX** means the Australian Securities Exchange.

- (b) **ASX Recommendations** means ASX Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition).
- (c) **Bribe** or **Bribery** means acting dishonestly in offering, promising, giving, requesting, authorising or receiving of anything of value (whether a financial or other advantage) directly or indirectly to another Person with the intention of influencing or rewarding improper performance.
- (d) **Contractors** means a party who is engaged by the Waterco Group to act on or behalf of the Waterco Group (and does meet the definition of Employees) including but not limited to suppliers and consultants.
- (e) **Corrupt** or **Corruption** means a dishonest act or omission for an improper or unlawful purpose, which involves the abuse of a position of trust or power.
- (f) **Directors** means officers and senior executives of the Waterco Group.
- (g) **Employees** means any person employed by the Waterco Group on a full-time, part-time or casual basis.
- (h) **Facilitation Payment** means a payment to expedite or secure the performance of a routine government action by a government official or employee.
- (i) **Person** means a Public Official, foreign Public Official, third party, supplier or customer.
- (j) **Public Officials** means an elected or appointed official, employee or representative of a government (which includes the executive, legislative, administrative, military, or judicial branches of a government; a political party; or a government-owned, government-controlled, or government-funded corporation, institution or charity) at any level.
- (k) **Waterco Group** means Waterco and each of its wholly owned subsidiaries.
- (l) **Waterco Group Values** means those values set out in the Waterco Group's Statement of Values.

## 2. POLICY STATEMENT

- 2.1 The Waterco Group has a zero-tolerance attitude to any form of Bribery or Corruption.
- 2.2 Employees, Directors and Contractors are prohibited from, whether directly or indirectly:
  - (a) engaging in any kind of Bribery or Corruption, Facilitation Payments or secret commissions, regardless of whether or not a benefit is given to or received by another Person, and regardless of the value of the benefit; and
  - (b) making political donations on behalf of the Waterco Group without obtaining the required approvals.
- 2.3 All Employees, Directors and Contractors of the Waterco Group are responsible for understanding this policy and ensuring its uniform and effective implementation, as well as

ensuring that their conduct and actions are wholly consistent with its requirements.

### 3. POLICY STANDARDS

Requirement	Further details
Bribery, Facilitation Payments and secret commissions	<p>Employees, Directors and Contractors must not give, offer, promise, accept or request a Bribe, Facilitation Payment or secret commissions to be given, offered, promised or accepted by a Public Official or any Person.</p> <p>Under no circumstances will the Waterco Group approve of any offers, or make, request or receive an irregular payment or other thing of value, to win business or influence a business decision in Waterco's favour.</p>
Gifts, entertainment or hospitality	<p>Employees, Directors and Contractors are not to accept a gift of any monetary value, entertainment or hospitality from any Public Official or any Person that may be seeking to influence the Waterco Group's business decisions or transactions.</p>
Political donations and sponsorship	<p>The Waterco Group must ensure that any donations or sponsorship that are provided to organisations serve a legitimate purpose and is disclosed as required by law.</p> <p>The Waterco Group's contributions must always be transparent and properly documented. The Waterco Group Employees, Directors and Contractors must ensure the contribution is not considered a Bribe, pay-off or be construed as being likely to improperly influence a business or personal outcome.</p>

### 4. TRAINING AND AWARENESS

- 4.1 To the extent applicable to their roles:
- (a) new Waterco Group Employees, Directors and Contractors will undertake training on this policy as part of their induction process; and
  - (b) existing Waterco Group Employees, Directors and Contractors will receive regular updates on this policy as part of their ongoing training.

### 5. REPORTING ACTUAL OR SUSPECTED BREACHES OF THE ANTI-CORRUPTION LAWS

- 5.1 The Waterco Group seeks to foster a culture of speaking up to encourage reporting of any suspicion of a Bribery and / or Corruption incident, or other concerns relating to this policy without fear of reprisal. To this end, the Waterco Group maintains a whistleblowing program that enables all Employees, Directors and Contractors to make disclosures and provide support to people speaking up in relation to Bribery and Corruption and other related matters.
- 5.2 The Waterco Group has established multiple avenues for the internal reporting of Bribery and

Corruption Concerns. Reports should be made through the internal reporting mechanisms set out in the Waterco Group Whistleblower Policy.

- 5.3 The Waterco Group will assess and investigate all allegations of Bribery, Corruption and other anti-corruption matters independently and determine whether or not the allegation is substantiated. If substantiated, the Waterco Group will take the necessary action in response, including reporting matters to the appropriate authorities as required.
- 5.4 Material breaches of this policy must be reported to the Board.
- 5.5 Corrupt conduct may be reported to a state-based anti-corruption body, or to the government body itself, for investigation. The Board will review any suspected corrupt behaviour and determine whether to make an external report. The relevant corruption bodies in each state are as follows:
  - (a) NSW – [Independent commission against corruption](#)
  - (b) VIC – [Independent broad-based anti-corruption commission](#)
  - (c) QLD - [Crime and corruption commission](#)
  - (d) WA - [Corruption and crime commission](#)
  - (e) TAS – [Integrity commission](#)
  - (f) SA – [Independent Commission Against Corruption](#)

## **6. BREACH OF POLICY**

- 6.1 A breach of this policy may result in disciplinary action (this can include termination of employment).
- 6.2 Employees, Directors and Contractors must also recognise that:
  - (a) a breach of anti-corruption laws may result in legal or regulatory action including criminal proceedings, revocation of licences, significant reputational damage and / or financial loss to the Waterco Group as a whole;
  - (b) the offence of Bribery of a foreign Public Official can apply even when the conduct occurred outside the jurisdiction to which the offence relates;
  - (c) all Employees, Directors and Contractors are personally responsible for protecting the Waterco Group, its reputation and themselves from the risks arising from Bribery and Corruption. Personal penalties may apply where individuals fail to comply anti-corruption laws, including financial penalties and imprisonment; and
  - (d) the Waterco Group will cooperate with authorities if any legal, regulatory or criminal investigations or proceedings are brought in relation to alleged violations of Waterco's anti-corruption policy.

6.3 Steps should be taken to continue to enhance processes and controls in response to mitigating the re-occurrence of incidents of Bribery and / or Corruption.

## **7. REVIEW**

7.1 This policy will be reviewed periodically as and when necessary to meet the operational requirements of the Water Group and changes in the law.

## **8. REFERENCES**

8.1 Statement of Values