

Anti-Bribery and Corruption Policy



ANTI-BRIBERY AND CORRUPTION POLICY

Introduction

VHM Limited (Company) has implemented a Corporate Code of Conduct, which has at its core, the commitment to conduct business in an open and accountable way. The Company strives to maintain a high standard of integrity, investor confidence and good corporate governance.

This Anti-Bribery and Corruption Policy (Policy) states the Company's requirements regarding the management of gifts and benefits, which protects you and your reputation and minimises potential negative consequences for you and the Company.

This policy applies globally. If travelling outside of Australia, Employees are subject to the laws of the country they are in; however, the principles of this policy must be followed regardless of whether or not that country has specific bribery and corruption laws.

Scope

This policy applies to anyone who is employed by or works at the Company, including Employees (whether permanent, fixed-term or temporary), contract staff (including subcontractors), consultants, secondees, suppliers, joint venture partners (where they agree to be bound by the Policy) and directors wherever located (collectively referred to as Employees in this policy).

Third party means any individual or organisation you come into contact with during the course of your work, and includes 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.

This policy covers:

- bribes;
- gifts and hospitality;
- facilitation payments;
- political contributions; and
- charitable contributions.

What is Bribery and Corruption?

Bribery is the offering, promising, giving, accepting, or soliciting of an advantage as an inducement for action which 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, e.g. donations.

Corruption is the abuse of entrusted power for private gain (as defined by Transparency International).

Bribes and kickbacks can therefore include, but are not limited to:

- gifts and excessive or inappropriate entertainment, hospitality, travel, and accommodation expenses;
- payments, whether by Employees or business partners such as agents or consultants;
- other "favours" provided to public officials or customers, such as engaging a company owned by a public official or customer's family; and



- the uncompensated use of company services, facilities, or property.

Bribery is a serious criminal offence and can damage the Company's reputation and standing in the community.

Bribes

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

No Employee is permitted to pay, offer, accept, or receive a bribe in any form. An Employee must never:

- offer, pay or give anything of value to a public official in order to obtain business or anything of benefit to the Company. 'Public official' should be understood very broadly, and this means anyone paid directly or indirectly by the government or performing a public function, including officials of state-owned enterprises and public international organisations;
- attempt to induce a public official, whether local or foreign, to do something illegal or unethical;
- pay any person when you know, or have reason to suspect, that all or part of the payment may be channelled to a public official. You should therefore be careful when selecting third parties, such as agents, contractors, subcontractors, and consultants;
- offer or receive anything of value as a 'quid pro quo' in relation to obtaining business or awarding contracts. Bribery of 'public officials' is a serious matter, but bribery of those working in the private sector is also illegal and contrary to the Company's Code of Conduct;
- establish an unrecorded (slush) fund for any purpose;
- otherwise use illegal or improper means (including bribes, favours, blackmail, financial payments, inducements, secret commissions, or other rewards) to influence the actions of others; or offering anything of value when you know it would be contrary to the rules of the recipient's organisation for the recipient to accept it;
- make a false or misleading entry in the Company books or financial records;
- act as an intermediary for a third party in the solicitation, acceptance, payment or offer of a bribe or kickback;
- so-called "facilitation" or "grease" payments are prohibited. Such payments should not be made to public officials, even if they are nominal in amount and/or common in a particular country;
- do anything to induce, assist or permit someone else to violate these rules; and
- ignore, or fail to report, any suggestion of a bribe.

Employees should not hire an agent, consultant or other intermediary if they have reason to suspect that they will pay bribes on the Company's behalf.

- Employees should seek to ensure that any third parties that are hired will not make, offer, solicit, or receive improper payments on behalf of the Company. All fees and expenses paid to third parties should represent appropriate and justifiable remuneration for legitimate services to be provided and should be paid directly to the third party. Accurate financial records of all payments must be kept; and
- All business units should adopt appropriate procedures directed towards ensuring that their arrangements with third parties do not expose them to non-compliance with this Policy. Such procedures should assist Employees in determining whether third parties present a corruption risk



and, if so, what steps should be taken to address that risk. This may include cases where a third party is engaged to act on behalf the Company:

- to solicit new business;
- to interact with public officials; or
- in other high-risk situations.

Employees must also be aware of factors which suggest the third party may pose a high corruption risk and consult with their line managers to assess whether there is a need for enhanced due diligence and monitoring, or whether a proposed relationship should not proceed.

As well as complying with the specific prohibitions in this Policy, Employees must exercise common sense and judgement in assessing whether any arrangement could be perceived to be corrupt or otherwise inappropriate.

Gifts and Hospitality

Company employees must declare and report gifts and / or benefits, either offered or accepted and valued at \$200 or more, in the Gift and Entertainment Register to safeguard and make transparent their relationships and dealings with individuals, organisations and client groups.

Employees should notify their manager of the fact that they have received the gift or benefit and must make the entry within 5 working days of receiving / being offered the gift or benefit. If it is known in advance, the receipt of the gift or benefit should be discussed with your manager prior to acceptance. Gifts should not be accepted on a re-occurring basis or broken down into parts of less than \$200.

Gifts and genuine hospitality and entertainment expenditure that is reasonable and proportionate is allowable provided it complies with the following:

- Made for the right reason – it should be clearly given as an act of appreciation or common courtesy.
- No obligation – it does not place the recipient under any obligation.
- No expectation – expectations are not created by the giver or an associate of the giver or have a higher importance attached to it by the giver than the recipient would place on such a transaction.
- Made openly – if made secretly and undocumented then the purpose will be open to question.
- Reasonable value – its size is relatively small and not inconsistent with general business practice.
- Appropriate – its nature is appropriate to the relationship.
- At “arm’s length” – all transactions / gifts should be at an “arm’s length” basis with no special favours and no special arrangements.
- Legal – it complies with relevant laws.

These 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).
- Entertainment of a sexual or similarly inappropriate nature.
- Making incomplete, false, or inaccurate entries in the Company's books and records, e.g. Gift and Entertainment Register.



Charitable Contributions

Charitable support and donations are acceptable (and indeed are encouraged via the Company in the community), whether of in-kind services, knowledge, time, or direct financial contributions. However, Employees must be careful to ensure that charitable contributions are not used as a scheme to conceal bribery.

We only make charitable donations that are legal and ethical under local laws and practices.

How to Raise a Concern

Under the Corporate Code of Conduct, all Company Employees have a responsibility to help detect, prevent, and report instances not only of bribery and corruption, but also of any other suspicious activity or wrongdoing in connection with the Company's business. The Company is committed to ensuring that all Employees have a safe, reliable, and confidential way of reporting any suspicious activity.

If you are not comfortable, for any reason, with speaking directly to your manager, the Company has a Whistleblower Policy which affords certain protections against reprisal, harassment, or demotion for making the report.

Any instances of a material breach of the Company's Anti-Bribery and Corruption Policy must be communicated to the Board.

Enquiries about this Policy should be directed to the Company Secretary or the Chief Executive Officer.

Related Documents


- Code of Conduct
- Whistleblower Policy
- Gift, Benefit, Hospitality Guidelines and Register

Compliance and Review

Employees are required to familiarise and fully comply with this Policy. Any Employee who fails to comply with the provisions as set out above (including any amendments), may be subject to appropriate disciplinary or legal action. The Company's policies, standards, procedures, and guidelines comply with legal, regulatory, and statutory requirements.

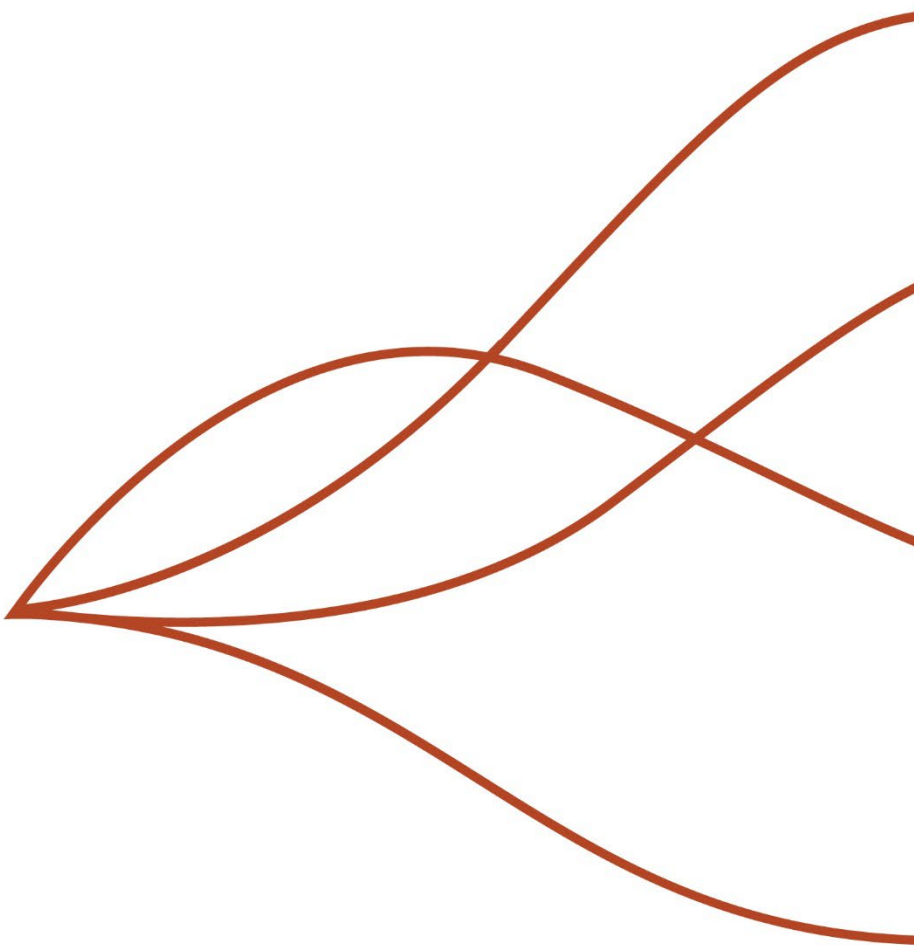
The Board is responsible for reviewing this Policy to determine its appropriateness to the needs of the Company from time to time and will review the policy at least annually.

This Policy may be amended from time to time in the sole discretion of the Company.



Mr Ron Douglas
Chief Executive Officer

Approved by the Board (22 May 2024)



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