
L. ANTI-BRIBERY AND CORRUPTION POLICY

1 Introduction and Purpose of Policy

Donaco International Limited (“Donaco” or “the Company”) is committed to responsible corporate governance, including ensuring that appropriate processes are in place to promote compliance with anti-bribery and corruption laws in countries where Donaco operates.

The purpose of this Policy is to outline clearly Donaco’s position on bribery and other corrupt behaviour, and the responsibilities of the Company’s directors, officers and employees to uphold that position. It should be read together with the Director’s Code of Conduct, and the Company’s other Corporate Governance Policies.

The Board and senior management team are committed to foster a culture within Donaco in which bribery or corruption are never acceptable. We do not tolerate bribery or corruption.

2 Legislative Background

Donaco has operations in multiple jurisdictions, most of which have laws prohibiting bribery and corruption. Many countries have sought to implement the United Nations Convention against Corruption and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

In Australia, the relevant legislation is the Criminal Code, section 70. This legislation can apply to conduct that occurs outside Australia, in relation to actions of Australian citizens or permanent residents, or Australian corporations.

Similarly, the United States Foreign Corrupt Practices Act can also apply to conduct that occurs outside the US, such as where payments are made via US banks.

3 Definition of Bribery

Under Australian law, bribery is a criminal offence. It involves:

- Providing, offering or arranging a benefit to a person;
- Where the benefit is not legitimately due to that person;
- With the intention to influence a foreign public official in their official duties;
- In order to gain or retain business, or a business advantage that is not legitimately due.

It is also an offence to attempt to offer a bribe, or to assist or procure another person to offer a bribe.

In deciding whether the benefit is not legitimately due, courts will disregard the value of the benefit; any official tolerance of the benefit; and the fact that the benefit may be, or be perceived to be, customary, necessary or required in the situation.

It is a defence if the conduct is required or permitted by a written law in force in the country where the conduct occurs.

4 Facilitation Payments

Facilitation payments are small unofficial payments made to secure or speed up a routine government action that an official would normally provide. Such payments are not made to win or retain business.

Australian law allows facilitation payments in certain circumstances, provided that detailed records are kept of the payment. Similarly, facilitation payments are permitted under US law.

However, Donaco's policy is that facilitation payments are not permitted.

5 Corporate Hospitality

Bona fide hospitality or promotional business expenditure is acceptable, when it is:

- proportionate and reasonable, not excessively lavish;
- designed to improve the Company's image;
- promoting the Company's services and products; or
- to establish corporate relations.

Care must be exercised in offering hospitality, especially where foreign public officials are involved. To amount to a bribe, a connection must be established between the hospitality offered and the intention to influence or secure business. The more lavish the hospitality provided to a foreign public official, the greater the inference that it is intended to influence the official to grant business or a business advantage in return.

6 Political and Charitable Donations

Donaco is committed to the communities in which it operates. Accordingly, Donaco supports a number of charitable organizations.

Donaco will not use political donations, charitable donations, or commercial sponsorships as a means of concealing a bribe.

7 Compliance with Local Laws

If local laws, codes of conduct, or other regulations in a particular country are more onerous than this Policy, then any Donaco personnel operating in that country must fully comply with the more onerous requirements.

8 Accurate Records

Donaco and its personnel must keep accurate and complete records of all business transactions:

- in accordance with generally accepted accounting principles and practices,
- in accordance with the Company's accounting and finance policies, and
- in a manner that reasonably reflects the underlying transactions and events.

It is the responsibility of all Donaco personnel to ensure that all business transactions are recorded honestly and accurately, and that any errors or falsification of documents are promptly reported to the appropriate member of the senior management team, and corrected.

9 Penalties

Australian law provides that penalties for individuals engaging in bribery include imprisonment for up to 10 years, or a fine of up to AUD1.8 million, or both. For corporations, penalties are the greater of (i) a fine of AUD18 million, (ii) three times the value of the benefit obtained, or (iii) 10% of the annual turnover of the corporation.

Breach of this Policy by Donaco employees will be regarded as serious misconduct, leading to disciplinary action which may include termination of employment.

10 Reporting of concerns

Donaco will handle reports of suspected bribery with care and confidentiality. Company personnel will not be punished for reporting concerns in good faith.

11 Enquiries

Enquiries about the operation of this Policy should be directed to the General Counsel.

This Policy does not form part of an employee's contract of employment with the Company, nor does it give rise to contractual obligations.