

Anti-bribery and corruption Policy Hydrix Limited

1. Purpose

Hydrix Limited, including each of its subsidiaries (**Hydrix** or **Company**), is committed to maintaining ethical standards in the conduct of its business. Hydrix has zero tolerance for bribery or corruption in any form.

Bribery and other types of corrupt conduct set out in this Anti-bribery and Corruption Policy (**Policy**) are serious criminal and civil offences for both the Company and any individuals involved. This type of behaviour is also inconsistent with the Hydrix Code of Conduct and values and has the potential to cause significant damage to the company's reputation.

This Policy outlines:

- a) the responsibilities of Hydrix and its Employees in observing and upholding the prohibition on Bribery, corruption and other related improper conduct; and
- b) information and guidance on how to recognise and deal with instances of Bribery, corruption and other related improper conduct.

Capitalised terms used in this Policy are defined in the Schedule.

2. Scope

This Policy applies to all Hydrix team members, directors and officers (collectively referred to as **Employees**), and any joint ventures and entities effectively controlled by Hydrix.

In addition, Hydrix expects those who perform services for or on behalf of Hydrix to abide by the standards in this Policy (**Third Party Associates**). This includes distributors, contractors, agents, advisors, consultants and some other suppliers. Similarly, where Hydrix does not exercise effective control within a joint venture, Hydrix will work with its joint venture partners to achieve the standards outlined in this Policy. Hydrix will take such steps as are open to it to require that any such joint venture complies with the standards set out in this Policy.

The Policy covers any activity or behaviour undertaken in connection with Hydrix, regardless of the geographical location in which that activity or behaviour occurs.

Laws prohibiting the types of improper conduct covered by this Policy apply in all of the countries in which Hydrix has operations and activities.

3. Prohibited Conduct

Hydrix prohibits all forms of:

- a) Bribery;
- b) Facilitation Payments;
- c) Secret Commissions or Payments; and

d) Money Laundering,

whether involving a Public Official, private company or individual, and whether directly or indirectly through a Third Party Associate.

Although Hydrix does not distinguish between Public Officials and private companies or individuals, Hydrix recognises that Public Officials are often subject to additional restrictions. Particular care must therefore be taken in dealings with Public Officials.

4. Gifts and Hospitality

Hydrix prohibits the offering or acceptance of Gifts and Hospitality which is contrary to this Policy, including in circumstances which:

- a) could be considered to give rise to undue influence or improperly influence a relationship or decision affecting Hydrix or its business;
- b) could give rise to the appearance of attempting to secure favourable treatment;
- c) creates a sense of obligation; or
- d) they know or suspect that the recipient cannot accept the Gift or Hospitality pursuant to law or any duties that they owe others.

Employees must declare all Gifts and Hospitality given or received by an Employee valued at (or estimated to be valued at) \$250 or more to the Chief People Officer or Chief Executive Officer or equivalent.

Gifts and Hospitality are only permitted if they are:

- a) solely given for the purpose of building a general relationship and understanding with the other party;
- b) not intended, and not reasonably able to be construed as, an attempt to influence the performance of the recipient's role or function or obtain business or a business advantage;
- c) given or received in an open and transparent manner;
- d) compliant with any relevant law, regulation, rule or code (including this Policy);
- e) not cash, loans or cash equivalents (such as gift certificates or vouchers);
- f) approved if more than \$250; and
- g) not given or received while the relevant parties are involved in negotiations or a tender process.

Gifts or Hospitality frequently given to or received from the same person or entity or which create an ongoing expectation, and in aggregate exceed the value or frequency set by Hydrix, do not comply with this Policy.

Employees should, where possible, discuss with a member of management the fact that they have been offered a Gift or Hospitality before accepting it, in order to determine the appropriate action.

5. Political and Charitable Donations and Community Engagement

Hydrix prohibits any donation on behalf of Hydrix to political parties, political organisations, politicians, local councillors, candidates for public office or any Public Official. Paid attendance at an event hosted by a political party is only permitted in limited circumstances, with approval and record keeping of the event.

Donations made on behalf of Hydrix to charitable activities are to be approved by the Chief Executive Officer or equivalent.

6. Dealings with third parties

Certain Third Party Associate arrangements can pose risks from an anti-bribery and corruption perspective. Hydrix may have liability for violations of applicable anti-bribery and corruption laws by its Third Party Associates.

Hydrix Employees must not engage or pay a Third Party Associate knowing or suspecting they may use or offer any part of the payment as a bribe, secret commission or other form of improper payment. Hydrix must only enter into Third Party Associate arrangements if there is a legitimate business need, compensation does not exceed fair market value, and the arrangement is permitted by applicable laws and complies with this Policy.

Hydrix Employees that engage Third Party Associates must maintain oversight of the work conducted, be alert to signs of improper payments and practices, and immediately report any suspected or identified behaviour that breaches the standards in this Policy.

All dealings with Third Party Associates must be conducted in accordance with Hydrix requirements and procedures, including for ensuring that appropriate risk-based due diligence and controls are implemented in relation to Third Party Associate arrangements.

7. Maintain accurate records

Hydrix must maintain a system of internal accounting controls and make and keep books and records which accurately and fairly reflect, in reasonable detail, the parties, the payment arrangements and the purpose of all transactions and disposition of assets. Hydrix prohibits any mischaracterisation or falsification of any books and records. No undisclosed or unrecorded fund or account may be established for any purpose.

8. Consequences of a breach

A breach of this Policy may be regarded as serious misconduct, leading to disciplinary action, which may include termination of employment or termination of contractual arrangements. Breaches of this Policy may also expose an individual to criminal and civil liability and could result in imprisonment or in the imposition of a significant financial penalty.

9. Reporting breaches and suspicious behaviour

All Hydrix Employees are expected to immediately report actual or suspected violations of this Policy, including any attempts by third parties to engage in prohibited conduct with Hydrix.

Hydrix fosters a culture of speaking up to encourage reporting of any breach of this Policy, or other concerns. Any person who has reasonable grounds to suspect that potential misconduct has occurred or is occurring within or against Hydrix should make a report without fear of reprisal.

If you are unsure whether a particular act constitutes Potential Misconduct or a breach of this Policy, or if you have any other queries, you should ask your manager or the Company Secretary.

10. Training and Communication

Hydrix will ensure that Employees (including new Employees) and applicable Third Party Associates are informed about and understand this Policy. Each Employee will have access to this Policy and be provided with training as required.

A copy of this Policy will also be made available on Hydrix's public website, as well as the Hydrix intranet.

Any questions about this Policy can be referred to the Company Secretary or Chief People Officer.

11. Amendment of Policy

This policy can only be amended with the approval of the Board of Hydrix.

12. Adoption of Policy and Board review

This Policy was adopted by the Board on 24 November 2020 and takes effect from that date.

The Board will review this Policy periodically. The Company Secretary will communicate any amendments to Employees as appropriate.

Schedule 1 – Definitions

Bribery occurs when a person offers, promises, gives, requests or accepts a benefit or something of value with the intention of improperly influencing a person in order to obtain or retain business or an advantage that is not legitimately due. This includes, but is not limited to, benefits that:

- are monetary or non-monetary, and can include non-cash gifts, cash or cash equivalents (e.g. gift vouchers), political or charitable donations, loans, reciprocal favours, business or employment opportunities, promotional expenditure and corporate hospitality and travel;
- occur even if that benefit is given or offered indirectly to the person sought to be influenced, for instance to a business associate or family member;
- occur irrespective of whether the bribe is accepted or ultimately paid. Merely offering a bribe will be a contravention of this Policy and will usually be enough for an offence to be committed.

Facilitation Payments are unofficial payments made to secure or expedite the performance of a routine government action by a Public Official or employee.

Gifts are free or heavily discounted items. Examples of Gifts include, but are not limited to, gift baskets, wine, chocolates, or any other similar items.

Hospitality means any form of entertainment or travel expenditures. Examples include, but are not limited to, sporting events, movie or theatre tickets, hotel accommodations, flights, or car services.

Secret Commissions or payments occur when an agent accepts money or other benefits from a third party in return for showing favour to that party in the conduct of their principal's business without revealing that payment to their principal.

Money Laundering occurs when a person or entity conceals the existence of an illegal source of income and then disguises that income to make it appear legitimate.

Public Official refers to any government or public official in Australia or any other country. This can include:

- persons holding a legislative, executive, administrative or judicial office;
- an employee, official or contractor of, or person acting in an official function or capacity for a government or public body (including a military or police force), a government-owned or government-controlled enterprise (including a state owned enterprise), or a public international organisation;
- a political party or party official or candidate for political office;
- persons holding an appointment, position or office created by custom or convention (including potentially some tribal leaders or member of a royal family); or
- an authorised intermediary or agent of any person covered above.