



# Anti-Bribery & Anti-Corruption Policy

Version 2

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# 1. General

ERM Power Limited (**ERM Power**) recognises that behaviours that lead to bribery and corruption have an adverse effect on staff morale, company reputation and communities wherever they occur. This policy sets out how ERM Power aims to ensure that bribery and corruption play no part in its business practices by taking a zero-tolerance approach. This Policy is underpinned by ERM Power's Core Values:



## Simplify

- Creating simple, innovative solutions to problems
- Re-engineering the way we work
- Making it easy to do business
- Cutting through complexity



## Amplify

- Turning it up
- Delivering additional value
- Speaking up for what's right
- Taking a good idea and making it real



## Exemplify

- Setting the standard
- Shaping our sector
- Realising the potential
- Transforming businesses

# 2. Policy Coverage

## 2.1 What Constitutes Bribery and Corruption?

According to Transparency International's "Anti-Corruption Glossary"<sup>1</sup>, bribery is defined as "The offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages (taxes, services, donations, favours etc.)".

Corruption is "The abuse of entrusted power for private gain", or in order to gain an undue advantage.

## 2.2 Overriding Principles

The ERM Power Board commits to the terms of this Policy and to providing leadership, resources and active support for the implementation of this Policy.

ERM Power adopts and enforces the following overriding principles:

1. Bribery and corruption are incompatible with ERM Power's business and are prohibited in any form, whether direct or indirect; and

<sup>1</sup> <https://www.transparency.org/glossary/term/bribery>

2. ERM Power is committed to implementing a programme to counter and prevent bribery and corruption.

### 2.3 Ongoing review

ERM Power will review this Policy every three years to ensure that it is operating effectively and whether any changes are required to the Policy.

## 3. Relevant Laws and Conventions

National and international laws and conventions that underpin this policy include:

- Division 70 of the Commonwealth Criminal Code;
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997);
- Foreign Corrupt Practices Act (US);
- OECD Guidelines for Multinational Enterprises – Combating Bribery;
- UN Global Compact – Principle 10 (Anti-Corruption); and
- Bribery Act 2010 (UK).

## 4. Obligations of ERM Power Personnel

### 4.1 All Personnel

All Personnel must:

- not engage in bribery or improper influence;
- not accept any bribe or allow business decisions to be improperly influenced in any way;
- discuss with their manager the fact that they have been offered a gift / benefit;
- report all gifts and benefits, valued at **\$200** or more (**Reportable Gifts**), to the Group General Counsel for inclusion in the Gift and Entertainment Register, **within 5 working days** of receiving or being offered the gift/benefit (please refer to Appendix 1 for what details are required to be recorded in the Gifts and Entertainment Register);
- in addition to the requirements of the Code of Business Conduct, not accept or offer any gift or entertainment in connection with their role at ERM Power in excess of AUD\$500 without approval from their Manager;
- not accept gifts or entertainment of any value where to do so might influence, or be perceived to influence, objective business judgement; and
- escalate any concerns they have with a particular situation or the conduct of other Personnel immediately to their Manager, or in accordance with the Whistleblower Policy.

No Personnel will suffer demotion, penalty, or other adverse consequences for adhering to this Policy or refusing to pay bribes even if such adherence or refusal may result in ERM Power losing business.

A failure of Personnel to adhere to this Policy amounts to serious misconduct and ERM Power will take appropriate action. This may include, amongst other things, summary dismissal and/or reporting the matter to police.

## 4.2 Managers and members of the ERM Power Executive Management Team

ERM Power's business units and subsidiaries (the **Group**) are required to consider and understand the risk of bribery and corruption throughout their operations. Through risk and control assessments, all parts of the Group must identify bribery and corruption risks and implement controls to manage those risks. All Managers and members of the ERM Power Executive Management Team must:

- Managers need to action<sup>2</sup> any gifts and benefits reported to them **within 5 working days** of receiving the disclosure from the employee;
- refer any Reportable Gifts to the Group General Counsel and only act following consultation with the Group General Counsel;
- regularly review the compliance of Personnel in their division for compliance with this Policy; and
- regularly review their division for vulnerability to bribery and corruption risks.

## 4.3 Reporting

The Group General Counsel will maintain Gift and Entertainment Register and ensure the Board is immediately informed of any material breach of this Policy, with non-material breaches/matters reported to the Audit & Risk Committee every six months.

# 5. Facilitation Payments

Facilitation Payments are payments made to speed up the delivery of routine government actions or services to which ERM Power is otherwise entitled. As a general rule, Facilitation Payments should not be made in any circumstances. Should the situation arise that a Facilitation Payment is being requested the matter must be referred immediately to the Group General Counsel.

# 6. Political Donations

ERM Power's position on political donations is set out in the Code of Business Conduct, available in the Corporate Governance section of its website [www.ermpower.com.au](http://www.ermpower.com.au). ERM Power discloses all political donations by the Group to the Australian Electoral Commission and state electoral authorities as required.

# 7. Further Information

Personnel should discuss any queries arising out of this Policy with their immediate Manager, or by contacting the Group General Counsel.

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<sup>2</sup> Approve, decline, donate or return the gift

# 8. Acceptable gift and entertainment expenditure

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 associated with standard business practice;
- 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 small and in accordance 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;
- documented – the expense or gift, if valued at \$200 or more, is fully documented in the Gift and Entertainment Register.

## **Some examples of acceptable gifts and/or benefits:**

- Token gifts / benefits where offered in business situations or to all participants and attendees (e.g. work related seminars, conferences, trade and business events and would include items such as a pen, cap, stationery, coffee mug, stress ball, mouse pad, corporate umbrellas and memory sticks);
- a gift / benefit for presenting at a work related conference, seminar, and / or business event;
- a ceremonial gift from another organisation on behalf of ERM Power. Please note that ceremonial gifts belong to ERM Power and as such you must declare and report the item on the Gifts and Entertainment Register and arrange to display the item at ERM Power where appropriate;
- a gift / benefit given in gratitude when hosting business events or overseas delegations only where refusal would be unreasonable and unnecessarily offensive;
- light refreshments (e.g. tea, coffee, water, juice) or a modest meal during a meeting or as a participant of a working group.

## **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);
- making incomplete, false or inaccurate entries in ERM Power’s books and records, e.g. Gift and Entertainment Register.

# 9. Training

ERM Power will undertake appropriate training of its managers and employees likely to be exposed to bribery or corruption, and how to recognise and deal with these issues.

# 10. Policy Information

|                              |  |
|------------------------------|--|
| <b>Policy Status</b>         | V1: Released 12 December 2012<br>V2: Approved 17 June 2019 |
| <b>Approval Body</b>         | ERM Power Board  |
| <b>Endorsement Body</b>      | Group General Counsel                                      |
| <b>Related Policies</b>      | Code of Business Conduct<br>Whistleblower Policy           |
| <b>Policy Maintained by:</b> | Group General Counsel<br>cosec@ermpower.com.au             |

# Appendix 1

## Gift & Entertainment Register

### Receiving Gifts & Entertainment

| <b>Date received</b> | <b>Name of receiver</b> | <b>Business Unit of receiver</b> | <b>Name of Giver</b> | <b>Description of Gift/entertainment</b> | <b>Value \$<sup>3</sup></b> | <b>Decision on what will happen to gift/entertainment</b> | <b>Reason for acceptance</b> | <b>Name of approving Manager</b> |
|----------------------|-------------------------|----------------------------------|----------------------|--|-----------------------------|---|------------------------------|----------------------------------|
|                      |                         |                                  |                      |  |                             |   |                              |                                  |
|                      |                         |                                  |                      |  |                             |   |                              |                                  |
|                      |                         |                                  |                      |  |                             |   |                              |                                  |

### Offering Gifts & Entertainment

| <b>Date offered</b> | <b>Name of offeror</b> | <b>Business Unit of offeror</b> | <b>Name of Receiver</b> | <b>Description of Gift/entertainment</b> | <b>Value \$<sup>1</sup></b> |  | <b>Reason for offering</b> | <b>Name of approving Manager</b> |
|---------------------|------------------------|---------------------------------|-------------------------|--|-----------------------------|--|----------------------------|----------------------------------|
|                     |                        |                                 |                         |  |                             |  |                            |                                  |
|                     |                        |                                 |                         |  |                             |  |                            |                                  |
|                     |                        |                                 |                         |  |                             |  |                            |                                  |

<sup>3</sup> Based on the reasonable person test, ie if the value is not known what value would a reasonable person place on the gift / entertainment.





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