

# Anti-Bribery and Corruption Policy

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4DMedical Limited

Adopted by the Board on **12 June 2020**, effective immediately.

Document version control:

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| Custodian                                       | Audit and Risk Committee Chair  |
| Date of next scheduled review                   | 12 June 2022  |
| Legislative framework and regulatory compliance | ASX Corporate Governance Principles and Recommendations (4 <sup>th</sup> edition) |
| Regulators                                      | ASX   |

## 1. Introduction

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### 1.1 Purpose of this Policy

This is the Anti-Bribery and Corruption Policy (**Policy**) for 4DMedical Limited ACN 161 684 831 (**Company**).

The Company prohibits all forms of bribery and corruption and is committed to conducting its business legitimately, ethically and in compliance with the following laws:

- (a) the Australian Criminal Code Act 1995 (Cth); and
- (b) any other anti-bribery and corruption laws in the United States of America, Singapore or China in which the Company operates.

#### (Applicable Laws)

The objectives of this Policy is to ensure that you do:

- (a) not give or accept gifts and/or benefits that will compromise or appear to compromise, your integrity and objectively in performing your duties;
- (b) not give or accept gifts and/or benefits that cause, or appear to cause a conflict of interest;
- (c) not give or receive payment of a secret commission to a person in a fiduciary position;
- (d) educate employees on what gifts and benefits are acceptable and unacceptable; and
- (e) promote investor confidence in the integrity of the Company and its securities.

This policy also sets out the process to follow if there are concerns that any employee of the Company is not complying with or has not complied with this Policy. Any and all material or suspected breaches of this Policy must be immediately reported to the Company's board of directors (**Board**) or a committee of the Board upon identification.

### 1.2 Application

This Policy applies to all of the Company's people, who include but may not be limited to:

- (a) all Company officers, directors, associates, contractors, consultants and employees, wherever located (**Company Personnel**);
- (b) any individual or entity, including any personnel working for such individual or entity, engaged to act on behalf of the Company (with authority to bring the Company into contractual relationships with other parties and/or represent the Company (having the authority to describe itself as the Company representative in dealing with other parties) (**Agents and Representatives**);
- (c) any person directly involved in the Company's joint venture operations, where the Company exercises control in relation to the joint venture's policy and procedures.

The Policy will be made available to all employees and officers upon commencement with the Company during the induction process and will be available on an ongoing basis on the Company's website and staff intranet.

The Policy is to be read in conjunction with the Company's:

- (a) Statement of Values;

- (b) Code of Conduct;
- (c) Whistleblower Policy;
- (d) any local laws or regulations relating to bribery and corruption.

Copies of these reference materials can be accessed via the Company's website or made available upon request to the Chief Financial Officer (**CFO**).

## **2. Consequences of Non-Compliance**

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Non-Compliance with any Applicable Laws can have serious consequences for the Company, and the individuals involved.

If the Company is found to be liable for a contravention of any Applicable Laws it could face significant fines or penalties, be excluded from tendering for public contracts, and there is a real risk that individuals involved may also be subject to imprisonment.

The impacts of non-compliance with the Applicable Laws or any other bribery or corruption offences extends beyond the civil and criminal penalties to include:

- (a) impacting on the Company's reputation and the Company's ability to procure and retain business and/or clients;
- (b) impacting on the Company's ability to do business with government or public international organisations which may require a declaration that the Company has complied, and will comply, with certain laws;
- (c) increased regulatory scrutiny and prosecution of the Company and/or its subsidiaries; and
- (d) potential breach of certain established contractual provisions relating to compliance with applicable anti-bribery and anti-corruption laws, which may trigger termination rights, penalties and/or litigation.

## **3. Key principles of bribery and corruption**

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Bribery is a form of corruption and refers to the act of offering, promising, giving, accepting, receiving or soliciting an Advantage as an inducement for an Improper Purpose of Improper Performance, that is not legitimately due and not based on merits or performance.

The Company's employees are not permitted to give, offer, promise, accept, request or authorise a bribe, whether directly or indirectly.

Employees should be aware that:

- (a) bribery is not limited to the public sector; it can also occur in the private sector;
- (b) bribery includes bribes made directly or indirectly (through an intermediary);
- (c) a bribe offered does not have to be accepted for an offence to be committed;
- (d) a bribe may be monetary or non-monetary in value;

- (e) to offer, promise, give or authorise an Advantage to a Third Party, either directly or indirectly, for an Improper Purpose, Improper Performance or in circumstances that might reasonably be viewed as creating the appearance of impropriety; or
- (f) to accept, receive, solicit or authorise and Advantage from a Third Party, either directly or indirectly, for an Improper Purpose, Improper Performance or in circumstances that might reasonably be viewed as creating the appearance of impropriety.

## **4. Compliance process**

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The Company's anti-bribery and corruption processes will be administered by the CFO and provides a framework that:

- (a) raises awareness of anti-bribery and corruption risks;
- (b) delivers compliance training and promotes ethical business conduct;
- (c) maintains systems and procedures for giving, receiving and registering Gifts and Hospitality;
- (d) maintains systems and procedures for conducting due diligence on Third Parties; and
- (e) investigates any reported suspicions of bribery or corruption involving the Company.

### **(Anti-Bribery and Corruption Compliance Program)**

Compliance acts as an independent compliance function to prevent and minimise the risk of bribery and corruption in the Company's business dealings.

## **5. Responsibilities**

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### **5.1 Company Personnel Responsibilities**

Company Personnel are required to:

- (a) read, understand and comply with this Policy in all of the Company's dealings;
- (b) act ethically and with integrity, avoiding even the appearance of impropriety;
- (c) attend and participate in training sessions relating to the Company's Anti-Bribery and Corruption Compliance Program;
- (d) maintain timely, accurate and complete records of all expenditures and payments; and
- (e) immediately report any suspicious activities in good faith.

In addition, Company Personnel who exercise managerial supervision over Company Personnel and/or Third Parties must also:

- (a) ensure all persons under his or her supervision understand their obligations under this Policy;

- (b) never request or suggest that Company Personnel and/or Third Parties pursue or achieve business results at the expense of breaching this Policy or an Applicable Law;
- (c) create an environment that enables and encourages others to raise concerns; and
- (d) respond appropriately to questions and concerns related to this Policy (including referring Company Personnel and/or Third Parties to Compliance, if appropriate).

## **5.2 Record Keeping**

- (a) The Company must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to Third Parties.
- (b) You must declare and enter all gifts and benefits in a gift and entertainment register (Register).
- (c) You must ensure that all expenses and claims relating to Hospitality and Gifts or expenses incurred to Third Parties are submitted in accordance with the Company's expenses procedure and specifically record the reason for the expenditure.
- (d) All accounts, invoices, memoranda and other documents and records relating to the dealings with Third Parties should be prepared with and maintained with strict honesty, accuracy and completeness. No accounts can be kept 'off-book' to facilitate or conceal and Advantage for and Improper Purpose or Improper Performance.

## **6. Processes and procedures**

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### **6.1 Gifts and Hospitality**

Gifts and Hospitality made in good faith, including promotional and other business expenditure, which seeks to better establish relations is an important of the Company's business. This Policy does not intend to prohibit reasonable and proportionate Gifts and Hospitality for that purpose.

However, exchanges of Gifts and Hospitality made in the ordinary course of business may compromise, or appear to compromise, the exercise of objective business judgement.

You must be cautious when giving or receiving Gifts and Hospitality, and must only do so in circumstances where they are:

- (a) for a genuine purpose and given in the ordinary course of business;
- (b) reasonably proportionate and of a casual and occasional nature;
- (c) incidental to and for the express purpose of furthering a proper and professional relationship;
- (d) not for an Improper Purpose or Improper Performance;
- (e) it does not place the recipient under any obligation;
- (f) 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 transaction;

- (g) not made secretly without documentation;
- (h) where its nature is appropriate to the relationship;
- (i) it is on 'arm's length' basis with no special favours and no special arrangements;  
and
- (j) it complies with all applicable laws.

You must not offer, promise, give or authorise any Gifts and Hospitality to a Public Official or State Owned Entity unless approved in accordance with the Gifts and Hospitality Procedure.

If you are involved in a tender process or bid discussion, including when a decision is pending, you must not offer, promise, give, accept or receive any Gifts and Hospitality to/from any Third Party also involved in the tender/bid (whether the Company is issuing or responding to the tender/bid).

All Gifts and Hospitality must be recorded accurately when submitting purchase orders or reimbursement requests in accordance with the Company's expense management procedures.

## **6.2 Travel and accommodation**

You are responsible for ensuring that all business travel is legitimate and travel arrangements are carried out in accordance with all applicable travel procedures issued by the Company.

All travel and accommodation expenses must be reasonable, bona fide and directly related to the demonstration, promotion or explanation of the Company's business.

The Company prohibits the acceptance of any travel and accommodation-related Gifts and Hospitality from Third Parties, except in exceptional circumstances and when pre-approved in accordance with the Gifts and Hospitality Procedure. The Company also will not pay for or reimburse any Third Party's travel and accommodating costs (including 'per diem' payments) unless pre-approved in accordance with the Gifts and Hospitality Procedure.

## **6.3 Payments to Third Parties**

Except for genuine and reasonable Gifts and Hospitality, an Advantage offered, promised or given to Third Parties should be an appropriate and justifiable payment for legitimate services or products properly rendered.

Unless specifically authorised by the Managing Director, Chief Executive Officer or CFO, no payment to any Third Party may be offered, promised or made:

- (a) in cash (other than documented petty cash disbursements);
- (b) in cash equivalents such as a corporate credit card, gift card or shopping voucher;  
or
- (c) with corporate cheques payable to "cash", "bearer" or third-party designees of the party entitled to payment.

You must ensure that financial records (including invoices and receipts) clearly and accurately specify the recipient of the payment, the country of residence or operation of the recipient, and the purpose of the payment.

#### **6.4 Third Party due diligence**

The Company is obligated to take adequate steps to prevent bribery and corruption when engaging with Third Parties.

Before engaging any Third Party, you must obtain approval from the Managing Director.

You are responsible for reporting to the Managing Director any information that may increase the risk posed by an existing or proposed relationship between the Company and a Third Party.

Compliance will perform periodic due diligence reviews on Third Parties.

#### **6.5 Contract governance**

All commercial arrangements must be clearly documented in writing and duly executed by the Company and the relevant Third Party.

Agents and Representatives shall not act on the Company's behalf until a written agreement has been properly approved in accordance with the Company's Delegation of Authority Policy.

#### **6.6 Facilitation payments**

A facilitation payment is a customary, unofficial minor payment to secure, expedite or facilitate a routine government action.

The Company prohibits the giving and receiving of facilitation payments at all times.

#### **6.7 Charitable contributions**

Whilst personal donations are at the discretion of the individual, any donations to any cause or charity on behalf of the Company must be approved by the CFO.

Charitable donations on behalf of the Company must be for approved causes, to registered bodies and must not give rise to adverse reputational risks.

#### **6.8 Political donations**

The Company may make donations to political parties from time to time, subject to Board approval. Care must be exercised when providing donations and sponsorship.

#### **6.9 Conflicts of interest**

The Company's position on conflicts of interest is set out in the Company's Code of Conduct available on the Company's website and staff intranet.

#### **6.10 Solicitation, extortion and personal safety payments**

If a Public Official (or someone claiming to act on their behalf) attempts to solicit or extort Anything of Value from you, you must refuse and inform them that the Company does not improperly provide Anything of Value to Public Officials. You should then inform the CFO or Company Secretary immediately.

As a narrow exception to the above prohibition on solicitation and extortion, the Company does allow personal safety payments to be made in exceptional circumstances where you reasonably believe that harm to an individual's health or safety appears imminent, or you or others may be in imminent danger if payment is not made.

If you make a personal safety payment, you must report the payment and circumstances to the CFO or Company Secretary immediately to ultimately be reported to the Company's legal counsel as soon as possible after the danger has passed. All personal safety payments must be recorded appropriately in the Company's financial records.

#### **6.11 Good faith reporting**

The Company encourages raising concerns in good faith and expects you to report all activity which does or may breach this Policy or any of the Applicable Laws.

To report suspicious activity, please contact the CFO or the Company Secretary, or alternatively refer to the Company's Whistleblower Policy, available on the Company's website or made available on request to the Company Secretary.

There will be no retribution of any kind for reports made in good faith.

## **7. Review**

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This Policy must be reviewed by the Board with the assistance of the Audit and Risk Committee at least every two years to ensure it is operating effectively. Any recommended changes must be approved by the Board or its delegated committee.

The Company Secretary is authorised to make administrative and on-material amendments to this policy provided that any such amendments are notified to the Board or its delegated committee at or before its next meeting.

The Company will ensure any updates to this policy, its processes and procedures following a review are widely disseminated to, and easily accessible by, individuals covered by this Policy.

## **8. Definitions**

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**Advantage** can take the form of gifts, loans, fees, rewards or other advantages. It may include but is not limited to, for example: artwork, business, employment or investment opportunities (including jobs or internships for relatives), cash and cash equivalents in any amount (such as gift cards or shopping vouchers), commissions, kickbacks, rebates, loans or other compensation, contractual rights or interest, discounts or credit, electronics, equipment, ex gratia payments and gratuities, hampers and alcohol, home/property improvements, in-kind services, jewellery, meals, entertainment, travel, accommodation and other hospitality (including the use of vacation facilities or hotels), payment of other expenses, political donations or charitable contributions, prizes or tickets to events, stocks, securities or participation in stock offerings, training and vehicles (or use of).

**Gifts and Hospitality** means and Advantage offered, promised, given, accepted or received to/from a Third Party that is:

- (a) for a genuine purpose and given in the ordinary course of business;
- (b) reasonably proportionate and of a casual and occasional nature;
- (c) incidental to and for the express purpose of further a proper and professional business relationship; and
- (d) not for an Improper Purpose of Improver Performance.

**Improper Performance** means:

- (d) taking or failing to take any action; or
- (e) making a decision, which in either case is illegal or in breach of an expectation or duty of good faith, impartially and/or trust;

**Improper Purpose** means for the purpose of:

- (e) influencing or causing a person to act, perform or fail to act or perform in breach of a legal duty; or
- (f) influencing or causing a person to abuse or misuse their position; or
- (g) securing an improper advantage, contract or concession.

**Public Official** means:

- (a) an elected or non-elected official, officer, employee or contractor of any government (whether state, regional or local) or public international organisation (for example, the United Nations, World bank) or any agency, department or instrumentality thereof (including officers and employees of a State Owned Entity), controlled or operated by the government; or
- (b) an official of a political party; or
- (c) a candidate for political office; or
- (d) a member of the police, customs, immigration, judiciary or other government agency; or
- (e) a person acting on behalf of any of the above.

**State Owned Entity** means any entity that undertakes activities on behalf of an owner government (having at least 35% ownership in the entity), which includes government-owned corporations, state owned companies and enterprises, publicly owned corporations, public/private partnerships, government business enterprises, commercial government agencies and public sector undertakings.

**Third Party** means any individual or entity not employed or engaged by the Company (i.e. not Company Personnel), and includes any joint venture partner, Agent and Representative, advisor, affiliate, contractor, consultant, intermediary, actual or potential customer, broker, dealer, distributor, supplier, service provider, vendor, shipping company or agent, customs agent, exporter, shipper, consignee, receiver, Public Official or State Owned Entity.