



# Fraud and Anti-corruption Policy

## Commitment and Purpose

Consistent with our values, and Code of Conduct, Central Petroleum Limited (**Central Petroleum**) is committed to conducting business fairly and with integrity and in accordance with applicable laws and regulation to maintain the trust of shareholders, employees, business partners, land holders and the community.

The Fraud and Anti-corruption Policy:

- sets out the responsibilities in respect of the prevention on Fraud and Corruption, its control principles, and its governance arrangements; and
- provides guidance on how to deal with actual or suspected instances of Fraud and Corruption.

## Application

The Policy applies to Central Petroleum and its related entities and their respective directors, officers, Agents, employees, contractors and consultants or any other party acting on behalf of Central Petroleum (**Central Personnel**). All Central Personnel are required to be familiar with and comply with this Policy.

The Policy is to be read in conjunction with Central Petroleum's Code of Conduct, Whistleblower Policy and other relevant policies and procedures.

## Fraud and Corruption

Central Personnel are not permitted to engage in any conduct, or activities which constitute Fraud and Corruption including:

- offering, paying, soliciting, or accepting Bribes or other improper payments or benefits in any form;
- engaging in Fraudulent or Corrupt business practices for the benefit of Central Petroleum, themselves or another party;
- paying any Secret Commissions to those acting in an agency or fiduciary capacity; and
- making Facilitation Payments.

## Gifts and Hospitality

Central Petroleum prohibits the giving or receiving of Gifts or Hospitality in connection with business activities which goes beyond common courtesies of general commercial practice or in circumstances that may be regarded as:

- compromising personal judgment or the judgment of others;
- unduly influencing Central Personnel or anyone else, creating a personal obligation or an obligation for someone else;
- giving rise to a conflict of interest;
- damaging Central Petroleum's reputation or relationships;
- inappropriate (in terms of value), illegal or immoral;
- indicating favoritism or prejudice towards a particular person or group; or
- conflicting in any way with Central Petroleum's values or Code of Conduct.

In all circumstances, Central Petroleum prohibits Gifts or Hospitality if it is offered in the form of physical cash or equivalents (loans and product or service discounts that are not available to all employees).

Central Petroleum also prohibits Gifts or excessive Hospitality, being offered to, or accepted from Public Officials.

All Gifts and Hospitality given or received must be:

- approved by a member of the leadership team;
- recorded in Central Petroleum's Gift register if over \$50 in value per item or event; and
- occasional and less than \$100 for Gifts or \$200 for Hospitality of value. Determining what is occasional and less than the threshold values is a matter of judgement and should be clarified with management where unclear.

The Gifts register will be periodically reported to the Board.

## **Donations and Sponsorships**

Charitable donations and sponsorship arrangements entered by Central Petroleum, or its related entities should be for causes approved in accordance with Central Petroleum's delegation of authority and must not create adverse reputational risks.

Central Petroleum may make political donations or other contributions to political parties where permitted by law and strictly in accordance with this Policy and Central Petroleum's delegation of authority.

Central Personnel must:

- ensure donations and contributions are for a proper purpose and that the payments are adequately transparent;
- keep proper records of donations and contributions which they make; and
- ensure the payment is reported as required for proper accounting purposes.

Attendance at political meetings and functions in a professional capacity is permitted where there is a legitimate business purpose.

## **Travel Expenses**

Central Petroleum will only provide payment of travel and/or accommodation to a third party where there is an appropriate business reason to do so. Central Petroleum prohibits Central Personnel from accepting travel and accommodation offered by a third party.

The payment, directly or indirectly, of travel and accommodation for Public Officials is prohibited unless all the following are satisfied:

- the payment is for reasonable and bona fide expenditure properly incurred in relation to travel;
- the travel is directly related to the promotion, demonstration or explanation of Central Petroleum's business operations or directly related to the performance of a contract with a government or government owned organisation; and
- the travel is in connection with the execution or performance of the Public Official's regulatory functions.

## **Maintaining accurate Books and Records**

An accurate and auditable record of all expenses incurred by Central Personnel, including all Gifts, entertainment and payments must be maintained in accordance with generally accepted accounting principles. A record that may distort or disguise the true nature of any expense or transaction is prohibited.

Central Personnel must not make, alter, destroy, or conceal an Accounting Document with the intention that such conduct would facilitate, conceal, disguise the receipt or giving of a benefit that is not legitimately due or not incurred.

## **Reporting Concerns**

If any Central Personnel receive an offer for, or are asked to provide, any benefit prohibited by this policy or by law, they must refuse the offer and immediately report the matter to the relevant member of the executive leadership team.

The Whistleblower Policy also provides Central Personnel with various mechanisms to raise concerns regarding actual or suspected unethical, unlawful, or undesirable conduct freely and without fear of reprisal or intimidation. All matters raised will be investigated pursuant to the Whistleblower Policy.

In addition, the Managing Director or Company Secretary will advise the Board if they become aware of any issue in relation to any part of the subject matter of this policy.

## **Non-compliance with this Policy**

Non-compliances may be escalated to the Chief Executive Officer, Board of Central Petroleum, or a relevant Board Committee, as appropriate.

Incidents of willful or reckless non-compliance with this Policy are serious and will be dealt with in accordance with Central Petroleum's normal performance management process, which may include dismissal.

Results of the compliance monitoring program established to support this policy will be reported to the Risk and Sustainability Committee.

## **Review**

This Policy will be reviewed periodically by the Board to ensure it is operating effectively and to identify any changes required.

Approved by the Board on 3 April 2023.

## Definitions which apply to this Policy

Term	Definition
Accounting Document	All documentation and books involved in the preparation of financial statements including invoices, receipts, ledgers and employee expense claims.
Agent	A person or entity which will, through its scope of activities, act for or represent Central in business dealings with public sector and/or private sector third parties.
Bribe	This is a specific act of corruption that involves offering, promising, giving, accepting, or soliciting of an advantage as an inducement for action which is illegal, unethical or in breach of trust. A bribe can be made directly or indirectly (e.g. via a third party or intermediary).
Charitable Donation	A financial payment provided voluntarily to a charitable organisation to support a cause or initiative with no expectation of commercial gain in return.
Corruption	Any dishonest activity in which a person acts contrary to the interests of Central and abuses his or her position of trust in order to achieve some personal gain or advantage for himself or herself or for another person or entity.
Facilitation Payment	A payment or other inducement provided to a Public Official to secure or expedite a routine government action (e.g. granting a permit, license, releasing cargos, etc.) that Central is entitled to under law and in the ordinary course of business. These are generally relatively minor payments, by way of a gratuity, made to lower-level officials or employees. It is irrelevant whether the payment is or is not intended to distort or influence a proper decision-making process.
Fraud	Dishonest and/or deceptive activity causing actual or potential loss, either financial or non-financial, including theft of monies or other property by persons internal or external to Central, where deception is used. Examples of fraudulent behaviour include: <ul style="list-style-type: none"> <li>▪ Falsification of expenses and invoices / misuse of corporate credit cards.</li> <li>▪ Misappropriation of funds, supplies or other company owned assets.</li> <li>▪ Unauthorised use or misuse of Central property, equipment, materials, or records.</li> <li>▪ Alteration or falsification of records.</li> <li>▪ Making a deliberate financial misstatement e.g. intentional misreporting of profit, revenue, or expenses.</li> </ul>
Gift	Gifts can include payment, payments in kind such as goods or services, favours, travel and accommodation, and other benefits.
Hospitality	Hospitality can include meals and entertainment such as theatre, sporting, and other similar activities.
Public Official	<ul style="list-style-type: none"> <li>▪ an elected or appointed official, employee, or agent of any: <ul style="list-style-type: none"> <li>- national, regional, or local government or state or territory;</li> <li>- department, agency, or instrumentality of any such government, state, or territory; or</li> <li>- enterprise in which such a government, state or territory owns, directly or indirectly, a majority or controlling interest;</li> </ul> </li> <li>▪ any employee or agent of an organisation which represents the interests of traditional owners, such as the Central Land Council;</li> <li>▪ any individual holding a legislative, administrative, or judicial office (appointed or elected);</li> <li>▪ an official of a political party or candidate for public office; and</li> <li>▪ any official, employee or agent of any public organisation.</li> </ul>
Secret Commissions	Benefits that are given, offered, received, or solicited by an agent or representative of another person or entity, where that benefit is: <ul style="list-style-type: none"> <li>▪ not disclosed to the principal; and</li> <li>▪ given, offered, received, or solicited as an inducement or reward for providing or having provided a favor, or the receipt of which would tend to influence the provision of a favour.</li> </ul>