



Anti-Bribery and Corruption Policy

WA Kaolin Limited (ABN 56 083 187 017)

Adopted by the Board on 21 July 2020

WA Kaolin Limited – Anti-Bribery and Corruption Policy

1 Introduction

- (a) WA Kaolin Limited (**Company**) is committed to conducting its business activities in an ethical, lawful and socially responsible manner, and in accordance with the laws and regulations of the countries in which it operates. The Company's reputation as an ethical business organisation is important to its ongoing success. Engaging in bribery and corrupt conduct is contrary to this commitment and constitutes a serious offence with criminal and civil penalties. It also exposes the Company to significant reputational damage.
- (b) This Anti-Bribery and Corruption Policy (**ABC Policy**) applies to all of the Company's employees, officers and in certain circumstances, consultants, secondees, contractors, agents and intermediaries representing the Company (collectively **Employees**). The ABC Policy supports the Company's Code of Conduct and Statement of Values and, in particular, the Company's firm commitment to operating an ethical business organisation.
- (c) Employees must:
 - (i) not engage in bribery or corrupt conduct or conceal such conduct;
 - (ii) comply with the laws and regulations which apply to us and the Company's operations;
 - (iii) comply with the ABC Policy and all the procedures the Company adopt; and
 - (iv) report any concern or suspected or potential breach of the ABC Policy immediately.
- (d) The ABC Policy, Code of Conduct and Statement of Values are available in the "Corporate" section of the Company's website.

2 What is bribery and corruption

Bribery and corruption involves offering, promising or giving a benefit, a favour, a gift or anything of value with the intention of unduly influencing the behaviour of a person or a foreign public official in the performance of their duty, in order to obtain or retain business or some other improper advantage.

2.1 What behaviour is prohibited by the ABC Policy

The following are prohibited behaviour under the ABC Policy.

- (a) Offering, paying or receiving bribes

Offering, making or receiving a bribe is strictly prohibited. Australia is a signatory to the OECD Convention Combating Bribery of Foreign Public Officials in International Business Transactions and has enacted legislation prohibiting the offering, paying, causing or promising of anything of value to both foreign and domestic public officials. The legislation enables Australian regulators to prosecute its citizens and corporations for the bribery of public officials in Australia and other countries.

Contravention of the anti-bribery and corruption laws of Australia and of other countries in which the Company operates in has serious criminal and civil consequences, such as imprisonment or fines.

(b) Offering, paying or receiving kick-backs or secret commissions

Offering, making or receiving a 'kick-back' or a secret commission as an inducement or reward for doing or not doing something, or showing or not showing favour or disfavour to any person in relation to business matters is also prohibited under Australian state and territory laws. Contravention of the state and territory anti-bribery and corruption laws also has serious criminal and civil consequences, such as imprisonment or fines.

(c) Offering or accepting gifts and hospitality beyond acceptable business courtesies

Offering, making or receiving a gift, business courtesy or hospitality can create an obligation or be construed or used by others to allege favouritism, discrimination, collusion or similarly unacceptable practices. Employees must not give, seek or accept in connection with the Company's business any gifts, meals, refreshments and entertainment which goes beyond common courtesies associated with ordinary and proper course of business. Employees must avoid everything that could reasonably be construed as a bribe or improper inducement.

Any gift, entertainment or other personal favour or assistance given or received which has a value in excess of \$300 (or any other amount determined or announced by the Board) must be approved in advance by an employee's manager and entered into the gifts and entertainment register maintained by the Company.

(d) Donations

No donation to any political party, politician or candidate for public office in any country must be made on behalf of the Company unless the donation has been approved in advance by the Board and complies with the local law and government policies of the jurisdiction where the donation is made. It must also be recorded accurately in the Company's accounts.

Attendance at political gatherings, meetings and function in a professional capacity is permitted where there is a legitimate business purpose. Records of attendance (and the cost of attendance) must be declared in the gifts and entertainment register.

(e) Improper dealing of accounting records

Intentionally or recklessly making, altering, destroying, concealing or doing something with an accounting document with the intention of or concealing or disguising the receiving or giving of a bribe is strictly prohibited and is a criminal offence under Australian law.

3 Company's procedures in implementing and monitoring compliance

3.1 Education and training

The Company will provide education and training to officers and employees in relation to the issue of bribery and corruption and the ABC Policy. The purpose of the education and training will be to assist officers and employees in their understanding of what conduct is prohibited and unlawful and how to recognise and manage instances of bribery or corruption.

3.2 Knowing the Company's partners, agents and intermediaries

Where relevant, the Company will conduct appropriate due diligence prior to engaging or entering into business relationships with third parties such as partners, agents and intermediaries. The purpose of the due diligence is to ensure that the entity or individual that the Company deals with will behave in a manner consistent with the ABC Policy. The Company will also obtain from that entity or individual certain assurances of compliance with the ABC Policy and adherence with relevant anti-bribery and corruption laws.

3.3 Investigations and audits

Any potential breaches of the ABC Policy will be properly recorded, investigated and dealt with.

The ABC policy and related procedures will also be subject to periodic audit and review. Periodic risk assessments will also be undertaken to identify bribery and corruption risk. The objective of any such audit or assessment is to determine whether breaches of the policy were properly recorded, investigated and dealt with and the policy or any of the procedures contained within it need to be updated as a result of any breaches.

4 Your responsibilities

Employees are expected to ensure they understand the ABC Policy and the impact this has on their areas of responsibility. In particular, Employees must:

- (a) endeavour to comply with the terms of the ABC Policy;
- (b) undertake all requisite training provided in relation to the laws and regulations relating to bribery and corruption and the ABC Policy; and
- (c) immediately report any concern, suspected or potential breaches of the ABC Policy to either:
 - (i) the Chief Executive Officer;
 - (ii) the Chief Financial Officer; or
 - (iii) a Whistleblower Protection Officer in accordance with the Company's Whistleblower Protection Policy, which is available in the "Corporate" section of the Company's website.

All material breaches of the ABC Policy must be reported immediately to the Board.

5 Consequences for breaching the ABC Policy

Any suspected breaches of the ABC Policy will be thoroughly investigated. Any material breaches of the ABC Policy will also be reported to the Board.

In circumstances where a breach of the ABC Policy is established, appropriate disciplinary and remedial actions will be taken.

The Company reserves the right to inform the appropriate authorities where it is considered that there has been criminal activity or an apparent breach of any law.

6 Reviews and changes to the ABC Policy

The Board, in conjunction with the Audit and Risk Management Committee, will review the ABC Policy periodically to ensure that it is operating effectively and whether any changes are required.

The Board may change this policy (including the responsibilities of the Audit and Risk Management Committee) from time to time by resolution.

If you have any questions regarding any aspect of the ABC Policy, please contact the Company Secretary.