

Dated 30 September 2021

Anti-bribery and Anti-corruption Policy

Sgalio Energy Limited
ARBN 152 971 821
(Company)

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Anti-bribery and Anti-corruption Policy



This policy sets out the framework to which the Company prevents and detect corrupt fraudulent, illegal, or other undesirable conduct, which forms part of the Company's risk and compliance management.

1. Objective

The objective of this Policy is to:

- 1.1 ensures that the Company operates in a manner consistent with the laws and regulations of the jurisdictions in which its businesses operate, including those relating to anti-bribery and anti-corruption;
- 1.2 ensures that the Company adheres to the highest standards of integrity, fairness, and ethical conduct;
- 1.3 sets out the requirements, including prohibited activities and payments, to which staffs and officers should follow in order to achieve the above.

2. Scope

- 2.1 This Policy applies all business and transactions in all countries to which the Company operates, and covers all directors, officers, staffs and employees (whether engaged permanently, temporarily, in a contractual or consultancy manner or otherwise) of the Company, its subsidiaries and its affiliates to which the Company exercises control (each a "**Relevant Person**");

3. Bribery, Corruption and other Improper Conduct

- 3.1 All Relevant Person is prohibited from:
 - (1) offering, paying, soliciting or accepting bribes or other improper payments or benefits in any form;
 - (2) receiving any gift or hospitality in connect with the Company's operation which goes beyond the common courtesy of general commercial practice or local culture;

- (3) engaging in fraudulent or corrupt business practices for the benefit of the Company, themselves or another party;
 - (4) paying any secret commissions to those acting in an agency or fiduciary capacity;
 - (5) making any facilitation payments; and
 - (6) engaging in money laundering;
- 3.2 Should a Relevant Person receives an offer for, or is asked to provide, any benefit prohibited by this Policy, he/she must refuse the offer or request and notify a Director as soon as practicable;
- 3.3 Meetings involving public officials or regulatory authorities should be attended by two or more Relevant Person;
- 3.4 The Company will not, under any circumstances, approve of any offers, or make, request, or receive an irregular payment or other thing of value, to win business or influence a business decision in the Company's favour;
- 3.5 The Company does not make direct political donations to political parties; All charitable donations and sponsorships must be approved by the Board, and any donation by physical cash is prohibited;
- 3.6 Where a payment is made to protect against perceived or actual immediate danger to personal safety or liberty, it must be reported at the first available opportunity to a Director.

4. Third-party Agents and Representatives

- 4.1 Appropriate controls must be implemented to help ensure contracted third parties including Agents and Representatives, meet the requirements of this policy. These include but are not limited to:
- (1) formally communicating the Company's Code of Conduct and associated policies;
 - (2) undertaking an appropriate risk-based approach to due diligence on the background, associations, reputation and qualifications. This includes due diligence and consideration of the third party's familial and other related party relationships with public officials and regulatory authorities;
 - (3) incorporating appropriate anti-bribery and corruption clauses in agreements and contracts, including audit rights and termination rights in the event of a failure to comply with the Company's requirements; and
 - (4) implementing appropriate oversight over the work and activities undertaken by the third-party;
- 4.2 Approval by the Board must be obtained for any third-party, agent or representative to be appointed by the Company who will engage with public officials or regulatory authorities. Fees payable to such party must be reasonable and commensurate with the scope and nature of services provided and on arm's length commercial terms.

5. Record Keeping

- 5.1 The Company and its employees must keep accurate and complete accounts, invoices, and other documents and records relating to dealings with any external or third-party, which will evidence the business reason for these dealings;
- 5.2 No accounts may be kept “off-book” for any reason or treated/managed in a way so as to facilitate, conceal or disguise potential breaches of this Policy or other policies of the Company;
- 5.3 Employees must ensure contracts, invoices and other documents relating to business partners and third-party relationships accurately describe the transactions to which they relate, and must not make any false or misleading entries in the books and records of the Company;
- 5.4 All Relevant Person must cooperate fully and openly with any investigation conducted by the Company into alleged or suspected corrupt or fraudulent activity or breach of this Policy. Failure to cooperate or to provide truthful information is a breach of this Policy.

6. Consequences of Breach

- 6.1 Bribery, corruption and other related improper conduct referred to in this Policy may be criminal offences which could have severe consequences for the Company and the individuals involved, including substantial fines and liabilities, imprisonment, and reputational damage;
- 6.2 Any breach of this Policy by Relevant Person will be regarded as serious misconduct, leading to disciplinary action which may include termination of engagement. Breaching this Policy may also breach applicable anti-corruption laws and expose an individual to criminal and civil liability, which could result in imprisonment or the imposition of a significant financial penalty. Relevant Person should also be aware that the Company’s insurance policies may not provide coverage for conduct involving a breach of this Policy;
- 6.3 All Relevant Person must cooperate fully and openly with any investigation conducted by the Company into alleged or suspected corrupt or fraudulent activity or breach of this Policy. Failure to cooperate or to provide truthful information is a breach of this Policy.

7. Reporting of Suspected Breach

- 7.1 All Relevant Person should immediately report suspected or actual breaches or suspicious activities or payments in accordance with the Code of Conduct or the Whistleblower Protection Policy;
- 7.2 All reported incidents will be processed in accordance with the Whistleblower Protection Policy.

8. Access to this Policy

- 8.1 This Policy can be found on the website of the Company. All existing staffs, employees and officers are made aware of the content of this Policy and will be notified of all

subsequent changes and updates. All new members of the Company will also be given a copy of the most recent version of this Policy, and be explained of its content.

9. Note about this Policy

- 9.1 This Policy is to be read in conjunction with the Company's Code of Conduct and the Whistleblower Protection Policy.
- 9.2 This Policy will be reviewed at least once every two-years. Any changes to this Policy will be approved by the Board and will be made available on the website of the Company.

Approved by the Board on 30 September 2021