



Policy on Anti-Corruption and Receipt of Gifts and Entertainment

A. ANTI-CORRUPTION

1. Policy

ROC's policy is that it will conduct its business in compliance with applicable laws, rules and regulations, with honesty and integrity and with a commitment to ethical business standards. In particular, ROC will adhere to the Criminal Code Amendment (Bribery of Foreign Officials) Act 1999 which was passed by the Australian Parliament on 3 June 1999.

ROC requires its employees and consultants to carry out their duties on behalf of the Company in accordance with the procedures set out below.

2. Procedure

Purpose of Legislation

The object of the legislation is to make the bribing of a public official – whether inside or outside of Australia – an offence under the Criminal Code Act 1995 (“the Act”).

Offence

There are three elements making up the criminal offence, each of which must have occurred:

- A benefit (primary or otherwise) is given or promised; and
- The benefit is not legitimately due to the person to whom it is given or promised; and
- The benefit is given or promised with the intention of influencing the official in the exercise of the official's duties OR to obtain or retain a business advantage that is not legitimately due.

Penalty

Up to 10 years imprisonment and/or a fine of up to \$660,000 for an individual and \$3,333,000 for a corporation.

Defences/Legitimate Benefit

- Conduct that is permitted by the law of the foreign country is not an offence.
- However, it should be noted that in determining whether a benefit/business advantage is legitimately due, no regard will be had to:
 - custom;



- the value of the benefit; or
- the fact that the giving of the benefit is tolerated in the foreign country concerned.

Facilitation Payments Permitted

- Small facilitation payments will NOT constitute an offence under the Act since they will not be regarded as constituting payments made to obtain or retain business or to seek other improper advantages.
- No offence will have been committed if the following criteria are satisfied:
 - the benefit given or promised is of a minor nature;
 - the sole or dominant purpose in providing or promising the benefit is to secure the performance of a routine government action of a minor nature; and
 - the person giving the benefit made a record of the benefit in compliance with the requirements of the Act.

Meaning of "routine government action"

For the purposes of the Act, a routine government action is one that:

- is ordinarily and commonly performed by the official; and
- falls within one of the following descriptions:
 - granting a permit, licence or other official document that qualifies a person to do business in a foreign country;
 - processing government papers such as a visa or work permit;
 - providing police protection;
 - providing mail collection or delivery;
 - scheduling inspections associated with contract performance or related to the transit of goods;
 - providing telecommunications services, power or water;
 - loading and unloading cargo;
 - protecting perishable products or commodities from deterioration; and
 - any other action of a similar nature; and
- does not involve a decision or encouraging a decision about:
 - whether to award new business; or



- whether to continue existing business with a particular person (including a company); or
- the terms of new or existing business.

Requirement to Keep Records

- A record must be kept of any facilitation payments and this is an element in ensuring that no offence has been committed.
- The Company's records must set out the following information:
 - the value of the benefit;
 - the date on which the benefit was given or promised;
 - the identity of the foreign official;
 - particulars of the "routine government action" that was sought to be expedited or secured; and
 - the person's signature.
- The Company Secretary will maintain a special register which will satisfy the requirements of the Act.

Persons Authorised to Make Facilitation Payments and Procedures to Be Followed

- Any facilitation payment will require the prior authorisation of one of the following persons:
 - a Director;
 - a member of the Executive Committee; or
 - an Asset Manager.
- The person authorising the facilitation payment must arrange for the insertion of the relevant entries in the records referred to in paragraph 2.1.7, to be signed by both the authorising person and the person who made the facilitation payment as soon as practicable after the payment has been made.
- It should be noted that the following will not require approval in accordance with the above procedures, although they may require approval in accordance with the Company's expenditure control policies:
 - inviting foreign officials for a meal or drinks or inviting them to tourist attractions in and around Sydney at Company expense during the course of a visit to or by a foreign official, provided that such entertainment is within normal and reasonable bounds;



- giving of souvenirs, mementos or small corporate gifts valued at less than \$A75.

B. RECEIPT OF GIFTS AND ENTERTAINMENT

1. Policy

ROC officers, employees and consultants may be offered gifts, gratuities and access to entertainment from time to time in the course of fulfilling their duties.

2. Procedure

Employees and consultants engaged by ROC should not accept any gift, gratuity, discount of service from any person or business entity where the acceptance of the benefit might influence, or appear to influence, the conduct of the employee's or consultant's duties or judgement.

Where, because of cultural considerations or other reasons, declining to accept a gift might cause offence, employees and consultants should discuss the appropriate response with their manager.

Details of all material gifts, entertainment and other personal gains accepted should be documented and disclosed to the relevant manager in the case of employees and to the Board in the case of Directors.

This policy does permit gifts of nominal value such as normal business meals and the exchange of customary reciprocal courtesies between employees and their business associates. However, employees should decline to accept even a gift of nominal value if it would appear that the gift is calculated to influence the employee's or consultant's business judgement or conduct.

C. CONTACT

Please direct any questions regarding this policy to the CEO or the Company Secretary.

Adopted by the Board on 31 March 2004.