

ANTI-BRIBERY AND CORRUPTION POLICY

1. OVERVIEW

1.1 Purpose

Hydrocarbon Dynamics Limited (HCD) is committed to conducting its business in accordance with all applicable laws and regulations and in accordance with the values set out in HCD's Code of Conduct.

The purpose of this Policy is to:

- set out HCD's position on bribery and corruption, the responsibilities of employees to observe and uphold this position; and
- inform employees and provide guidance on how to recognize and deal with instances of bribery and corruption.

This Policy applies to all directors, officers and employees of HCD, as well as any contractors that may be engaged by HCD from time to time (HCD Personnel).

2 REGULATORY FRAMEWORK

- (a) Criminal Code Act 1995 (Cth)
- (b) Crimes Act 1914 (Cth)
- (c) Proceeds of Crime Act 2002 (Cth)
- (d) Corporations Act 2001 (Cth)
- (e) Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)
- (f) Modern Slavery Act 2018

3 PROHIBITED CONDUCT

3.1 Bribery

It is against the law to offer, pay or receive a bribe, regardless of whether such payment is made directly or indirectly. HCD Personnel must not, and must not cause any other person to, engage in conduct that amounts to bribery.

Bribery involves offering, giving or promising a benefit (monetary or otherwise) with the intention of improperly influencing another person for the purpose of obtaining a business advantage or as an inducement for the improper exercise of that person's function. This prohibition applies to benefits provided to both private third parties and government officials. Examples of non-monetary benefits includes gifts, political or charitable donations, loans, business or employment opportunities and reciprocal favours.

In general, political and charitable donations are not prohibited by this Policy, provided they are not made with the intention of inappropriately influencing any decision or to gain a business advantage not legitimately due.

3.2 Facilitation payments, secret commissions and other forms of corruption

HCD Personnel must not provide, or encourage the provision of, facilitation payments or secret commissions.

A facilitation payment involves an unofficial payment to a government official to enable and/or accelerate the performance of some governmental action (for example, obtaining official documentation or permits).

A secret commission involves the offer or provision of a commission to an agent of another person that is not disclosed by that agent to its principal, where the payment is made to influence the conduct of that agent in relation to the business of the principal.

In addition, HCD Personnel must not engage in any other act of corruption, including, but not limited to, fraud, embezzlement, money laundering and kickbacks.

3.3 Gifts and entertainment

This Policy recognizes that certain gifts and corporate entertainment/hospitality are provided as part of normal and appropriate business relationships. While such conduct is not prohibited by this Policy, HCD Personnel must ensure that they comply with HCD's Code of Conduct when accepting or offering to provide any gifts or corporate entertainment/hospitality.

If any HCD Personnel are unsure about the appropriateness of gifts or entertainment, they should first raise the conduct with an Executive Director. In particular, HCD Personnel should not provide gifts or entertainment to government officials without first seeking the approval of an Executive Director, as in some circumstances this could be considered bribery.

4. MONITORING PROHIBITED CONDUCT

Whenever any HCD Personnel, engage a third party to act for or on behalf of HCD, controls and procedures need to be implemented to obtain comfort that the third party is and will continue to be compliant with its obligations (including in relation to bribery and corruption) and that their actions will not adversely affect HCD.

In this context, "third parties" includes any current or future agents, clients, distributors, intermediaries, suppliers, purchasers or contractors.

HCD Personnel must not provide money to a third party if they know or suspect that the third party may use or offer some or all of that money as a bribe.

It is important to note that the scope of this policy also includes matters occurring internally within HCD. The mechanisms for reporting such conduct are found in "Reporting inappropriate conduct" below.

Responsibility for monitoring compliance with this Policy is set out in the relevant Risk Matrices and is overseen by the Compliance Committee.

5. REPORTING INAPPROPRIATE CONDUCT

All HCD Personnel are encouraged to report any improper conduct they believe to be in breach of this Policy. Reports can be made under this Policy to an Executive Director.

HCD will take appropriate steps to ensure that all matters are dealt with confidentially. HCD will ensure that HCD Personnel do not suffer any disadvantage as a result of reporting conduct in good faith in accordance with this Policy.

6. RECORD KEEPING

HCD must maintain appropriate and accurate records in relation to all dealings with third parties, including expenditure on gifts and entertainment. The Compliance Committee will periodically review the effectiveness of the system of controls and reporting undertaken to comply with this Policy.

7. BREACH OF THIS POLICY

Certain breaches of this Policy may result in both civil and criminal liability for persons involved and for the company. HCD will treat all breaches of this Policy seriously and HCD Personnel involved in any inappropriate conduct may be subject to disciplinary action, including termination of employment.

8. IMPLICATIONS

HCD will be responsible for:

- Communicating this policy to employees; and
- Monitoring the implementation of this policy.

9. REVIEW OF POLICY

The Board reviews this policy annually.

10. ADMINISTRATION OF POLICY

The Board administers this policy.

11. BOARD APPROVAL / ATTESTATION

This policy and any amendments to it are to be approved by the Board.