



# Anti-Bribery & Corruption Policy

Afterpay Limited

June 2020

## 1. Afterpay's position on bribery and corruption

Afterpay Limited and its subsidiaries (Afterpay) take a zero-tolerance approach to bribery and corruption in any form, and is committed to conducting all parts of its business in an honest and ethical manner.

Afterpay has developed this policy to support these commitments, and to create a culture of compliance which is underpinned by an effective system to counter bribery and corruption.

## 2. Purpose and scope

The purpose of this policy is to:

- set out the responsibilities in observing and upholding Afterpay's position on bribery and corruption; and
- provide information and guidance on how to recognise and deal with bribery and corruption issues.

## 3. Who must comply with this policy?

This policy applies to Afterpay, all entities controlled by Afterpay and all directors, officers and employees (including temporary or contract staff) of Afterpay (**Afterpay Personnel**).

Afterpay expects that those who perform services for or on behalf of Afterpay will comply with the law and apply the same or materially similar standards detailed in this policy. This includes agents, contractors, consultants, advisors and joint venture partners (**Business Partners**).

This policy applies to any activity undertaken in connection with Afterpay, regardless of the geographic location in which that activity occurs.

## 4. What is bribery?

Under the law, bribes and bribery have a very wide definition.

Generally speaking, bribery is the offer, promise, payment or provision of a benefit or something of value to a public official, private company or individual, to improperly influence a person in order to obtain or retain business or an advantage that is not legitimately due.

Bribes can take the form of cash, gifts, loans, fees, hospitality, services, rewards, discounts, or other advantages such as taxes, services, donations, etc, or anything else of value.

## 5. Prohibited conduct

Afterpay Personnel must not (either directly or indirectly, including through a Business Partner):

- give, promise to give, or offer a bribe, kickback, secret commission or other form of improper payment in order to obtain (or with the expectation or hope of obtaining) any improper business or other advantage for Afterpay, for themselves or for others;
- make a payment to a public official with the purpose of expediting or facilitating the performance of a routine government action (also known as a facilitation payment);
- give or receive an unacceptable Benefit, as described in section 6.1 of this policy;
- make any donations on behalf of Afterpay which are not approved by the Executive Vice President Public Policy and External Affairs;
- engage in any fraudulent conduct, including without limitation misappropriation of funds or other assets, causing a loss to Afterpay or creating a liability for Afterpay by deception, impropriety in the handling or reporting of money or financial records or false invoicing for goods or services never rendered; or
- cause or authorise any of the above conduct or engage in any other activity which is inconsistent with this policy.

Afterpay recognises that public officials are often subject to additional restrictions. Particular care must therefore be taken in dealings with public officials. **Public officials** refers to any government or public official in Australia or any other country and also includes an employee, official or contractor of a government or public body, a government-owned or government-controlled enterprise (including a state owned enterprise), or a public international organisation.

## 6. Gifts & hospitality

Giving and receiving gifts, entertainment, meals, travel/accommodation (including reimbursement), training or other things of value (**Benefits**) are common when doing business and are not in themselves unlawful. However, if they are given or received with the intention of improperly influencing business or regulatory decisions, this can amount to bribery.

Giving or receiving Benefits that are unlawful, extravagant or inappropriate can have serious legal, ethical and/or financial consequences.

Afterpay appreciates that practice varies between countries and regions and what may be normal and acceptable in one region may not be in another.

### 6.1 Unacceptable benefits

Afterpay Personnel must not offer, provide, or receive a Benefit in connection with the business or in the course of their employment or engagement that:

- is made with the intention to (or may be perceived to) improperly influence a third party relationship or decision affecting Afterpay or its business;
- is made with the intention to (or may be perceived to) improperly obtain or retain business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- relates to the reimbursement of business expenses that are in excess of genuine and reasonable business expenses (for example, the cost of an extended or luxury hotel stay);
- is cash or a cash equivalent;
- is inappropriate in the circumstances, taking account of the reason for the Benefit, its timing and value;
- is not given in an open and transparent manner; and
- does not comply with applicable local law.

## 6.2 What benefits are permitted?

Reasonable and appropriate Benefits given to, or received from, third parties are permitted, for the purposes of:

- establishing or maintaining good business relationships;
- improving or maintaining our image or reputation; or
- marketing or presenting our products and/or services effectively,
- so long as the Benefit is modest (e.g. it does not have a significant monetary value), inconsequential / trivial and not offered on a regular basis.

## 6.3 Benefits requiring approval

Approval requirements for Benefits are set out in the table below. Before providing their approval, the Approver must consider whether the particular Benefit is an unacceptable Benefit as described in section 6.1 of this policy (including, but not limited to, the timing of the Benefit, such as whether it is given/received during a contract negotiation, or prior to / during a tender or competitive process) and if so, approval must not be provided.

Benefit	Approver	Recorded in register
Benefit of any value involving a public official	Chief Enterprise Risk Officer	Afterpay Personnel to record details of Benefit in the Gifts and Hospitality Register
Benefit up to and including AU\$199 in value	No approval required provided that it is not an unacceptable Benefit as described in section 6.1 above	N/A
Benefit of AU\$200 to AU\$499 in value	No approval required provided that it is not an unacceptable Benefit as described in section 6.1 above, however Afterpay Personnel should notify their line manager if the Benefit is more than trivial	Afterpay Personnel to record details of Benefit in the Gifts and Hospitality Register

Benefit of AU\$500 to AU\$999 in value	Line manager of Afterpay Personnel proposing to give or accept the Benefit	Afterpay Personnel to record details of Benefit in the Gifts and Hospitality Register
Benefit of AU\$1,000 or more in value	Line Global Leadership Team member of the Afterpay Personnel proposing to give or accept the Benefit	Afterpay Personnel to record details of Benefit in the Gifts and Hospitality Register

## 7. Donations

Afterpay engages with governments and political organisations globally on a range of issues. All political donations and engagements with governments must be approved by the Executive Vice President Public Policy and External Affairs.

All charitable and community donations by Afterpay must be approved by the Executive Vice President Public Policy and External Affairs.

## 8. Record keeping

Afterpay must keep books and financial records and have appropriate internal controls in place which accurately reflect the parties, payment arrangements and the purpose of all transactions.

Afterpay Personnel must:

- keep a written record of all Benefits given or received, which will be subject to managerial review; and
- submit all expenses claims relating to Benefits or payments to third parties in accordance with Afterpay's expenses procedures and record the reason for expenditure.

## 9. Reporting breaches of this policy

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all Afterpay Personnel. All Afterpay Personnel are expected to immediately report actual or suspected violations of this policy, including any attempts by Business Partners and third parties to engage in prohibited conduct with Afterpay. Afterpay's Whistleblower Policy sets out how to make a report and how that report will be received and investigated. Further information regarding the protections afforded to whistleblowers is set out in Afterpay's Whistleblower Policy.

Afterpay will not permit retaliation of any kind against any Afterpay Personnel where they have reasonable grounds to suspect a violation of this policy.

Material breaches of this policy will be reported to the Board or a Committee of the Board.

## 10. Consequences for breach of this policy

Any Afterpay Personnel who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct. Conduct in violation of this policy may also breach applicable anti-corruption laws and result in criminal or civil penalties, including fines and imprisonment.

Afterpay may terminate its relationship with any Business Partner who breaches this policy.

## 11. Training

Training on this policy forms part of the induction process for all Afterpay Personnel, and refresher training will be provided periodically.

## 12. Review

The Chief Enterprise Risk Officer will monitor the implementation of this policy and will review its effectiveness, including that internal control systems and procedures are periodically audited to ensure they are effective in minimising the risk of non-compliance with this policy.

This policy is subject to annual review and any material amendments must be approved by the Afterpay Board.

## 13. Document control

Version	June 2020
Policy owner	Chief Enterprise Risk Officer
Review cycle	Annual