

BLACKMORES GROUP

ANTI-BRIBERY & CORRUPTION POLICY

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1. INTRODUCTION

The Board and the Executive Leadership Team are committed to the highest standards of personal, professional and business behaviour in all we do. As part of this commitment, Blackmores has a zero tolerance for Bribery and Corruption. This Anti-Bribery and Corruption Policy ('Policy') sets out this commitment and the basic behaviours required of all Employees in support of this zero tolerance position. In accordance with our Code of Conduct, these behaviours are based on Blackmores' values, its '**PIRLS**', particularly its values of Integrity, Respect, Leadership and Social responsibility.

Ways to prevent Bribery and Corruption can be summarised as follows:

- a) don't do anything which may compromise a person's duty to act in accordance with their employment or other official role;
- b) don't do anything which may compromise your duties or responsibility as an Employee of Blackmores Group;
- c) if you have any doubt or questions about what this means ask your manager, the Head of Human Resources, the Human Resources Manager Asia, the Human Resources Manager for your country or organisation, the Director of Corporate Affairs, the Legal Counsel or the Head of Compliance.

2. PURPOSE

This policy replaces:

- The Anti-Bribery and Anti-Corruption Policy; and
- The Gift and Hospitality Policy.

References to either or both of these policies in letters of employment, policies, processes and other documents of the Blackmores Group are replaced by reference to this Policy.

The purpose of this document is to set out basic behaviours to prevent Bribery and Corruption and help protect Employees and the Blackmores Group from any appearance or suggestion of unethical behaviour.

Bribery is designed to influence individuals to act dishonestly in the performance of their duty. A Bribe can be anything of value which is designed to change a person's behaviour so that they act illegally, unethically or contrary to the responsibilities of their employment.

Corruption involves misusing power which has been entrusted to someone (for example, by their employment or position) for personal gain.

In certain circumstances, conflicts of interest may lead to corruption. Conflicts of interest generally arise when a person is in a position to derive a personal or private benefit from actions or decisions made in their employment or other official capacity.

The giving or receiving of gifts and hospitality is also an area where care is to be taken to prevent Bribery and Corruption occurring.

Essentially, Employees are not to give or accept gifts or other benefits (such as hospitality or entertainment) that may compromise, or appear to compromise, their integrity and objectivity in performing their duties, or cause, or appear to cause a conflict of interest.

3. SCOPE

This policy applies to all Employees of the Blackmores Group.

All Employees of the Blackmores Group are required to comply with this Policy (as may be amended from time to time).

Employees who are managers are accountable for ensuring Employees reporting to them act in accordance with this Policy.

This Policy also applies to any third party individual, company or other entity acting on the behalf of the Blackmores Group. For the purposes of this Policy only, they are included in the definition of "Employee".

4. DEFINITIONS

In this Policy references to:

'Blackmores' or the **'Blackmores Group'** means Blackmores Limited and each of its related companies or entities, both current and in the future comprising 'the Blackmores Group'. Where used in this Policy, a reference to 'Blackmores' or 'the Blackmores Group' may be to all companies or entities in the Blackmores Group or any one or more of the companies or entities as may be applicable in the context.

'Bribe' means any item of value or an advantage which is intended to change a person's behaviour so that they act:

- a) illegally;
- b) unethically;
- c) contrary to any duties they owe to their employer; or
- d) otherwise in breach of trust.

A 'Bribe' can take many different forms. For example, the acts below would be Bribes if they were intended to influence conduct:

- i) Directly or indirectly promising, offering or authorizing anything of value;
- ii) Offering or receiving any kickback, loan, reward or other advantage;
- iii) Giving aid, a donation or voting.

'Bribery' means **giving** a Bribe and/or **receiving** a Bribe. As a giver, it includes offering, promising, authorising or giving a Bribe directly or indirectly. As a receiver, it includes demanding, requesting, receiving, accepting, authorising, soliciting, or agreeing to accept, receive or take a Bribe directly or indirectly.

'Corruption' means the abuse of power or position for personal or private gain.

'Director Corporate Affairs' means the Director Corporate Affairs of Blackmores Limited.

'direct line manager' means the person within the Blackmores Group to whom an Employee directly reports.

'Employee' or 'Employees' means any person employed as a permanent, casual or fixed term contract employee by Blackmores. For the purposes of this Policy only, this definition also includes:

- a) a contractor or subcontractor or their employee working for Blackmores;
- b) an employee of a labour hire company who has been assigned to work at Blackmores;
- c) an apprentice or trainee at Blackmores;
- d) a student gaining work experience at Blackmores;
- e) any other third party individual or company acting on behalf of Blackmores including any consultant, agent, distributor or joint venture partner.

'Facilitation Payment' means any payment to a foreign official, political party or party official to facilitate, secure or expedite the performance of a routine or necessary action (for example, to speed up the issuing of a license or permit).

'Group Financial Controller' means the Group Financial Controller of Blackmores Limited.

'Head of Compliance' means the Head of Compliance of Blackmores Limited.

'Head of Human Resources' means the Head of Human Resources of Blackmores Limited.

'Head of Tax' means the Head of Tax of Blackmores Limited.

'Legal Counsel' means Legal Counsel of Blackmores Limited

'the PIRLS' mean the values of the Blackmores Group being:

- Passion for Natural Health
- Integrity
- Respect
- Leadership
- Social Responsibility

'Prize or Reward' means anything given as a reward to the winner of a competition, in recognition of an outstanding achievement or as part of a legally permitted initiative to promote sales.

'Workplace' means a place where work is carried out for Blackmores and includes any place where an Employee goes, or is likely to be, while working for Blackmores.

5. EMPLOYEES NOT TO GIVE OR RECEIVE BRIBES

- 5.1 Employees may not authorize, offer, promise or give a Bribe to anyone in the public or private sector.
- 5.2 Employees may not authorise, demand, request, receive, accept, solicit, agree to accept, receive or take a Bribe from anyone in the public or private sector.

6. GIFTS, HOSPITALITY AND ENTERTAINMENT

- 6.1 In some countries there are generally accepted customs regarding the exchange of business gifts to recognise and strengthen business relationships. In much of Asia, gift giving is an integral part of everyday business. Likewise, hospitality and entertainment is an established and integral part of conducting business in most countries. It can contribute to corporate image, provide opportunities for the presentation of products and services and support the development of cordial relations. For this reason, it is important that Employees act legally, ethically and transparently in relation to the giving and receiving of gifts, hospitality and entertainment and obtain the prior approval of their direct line manager, or other relevant manager as set out in this Policy.
- 6.2 Under no circumstances may a gift be cash or cash equivalent (for example, cheques, money orders, credit, gift vouchers or gift certificates).
- 6.3 A gift, genuine hospitality or entertainment that is reasonable, proportionate and nominal in value (AUD\$100 or less per person and per occasion) is allowed to be given or received by an Employee provided the requirements below are satisfied:
 - a) It is small in value in accordance with generally recognised and accepted business custom and practice in the location in which it is provided. For example;
 - i) Blackmores Group promotional materials (for example, a cap, calendar, pen or bag);
 - ii) Box of chocolates or seasonal produce; or
 - iii) In item or book representing local country specific culture.
 - b) It is permitted under applicable laws (countries may impose limits or outright bans for certain products or persons);
 - c) It is appropriate to the relationship, consistent with the PIRLS and does not bring the Blackmores Group into disrepute;
 - d) The Employee has received approval from their direct line manager or other relevant manager under the Delegation of Authority Policy. (In some countries such as Indonesia, certain gifts must be reported to a government authority within a specified timeframe. For this reason, it is important that prior to giving any gift the Employee immediately notify their Country Manager. The Country Manager is to notify the Director Corporate Affairs when reporting such gifts to the nominated government authority);
 - e) It is clearly given as an act of appreciation or common courtesy associated with standard business practice;
 - f) It is not for personal gain;

- g) It is not intended, and does not, place the recipient under any obligation;
 - h) It is not for the purpose of inducing, facilitating, expediting, or influencing any business decision;
 - i) It creates no expectation by the giver or an associate of the giver or has a higher importance attached to it by the giver than the recipient would place on such a transaction;
 - j) It is not interpreted as, or gives the impression of being, a Bribe, secret commission, Facilitation Payment or questionable payment;
 - k) It is made openly and documented fully, truthfully and accurately in the Blackmores Group books and records;
 - l) It is at "arm's length" with no special favours and no special arrangements suggested, promised or expected;
 - m) Employees have obtained the approval of a customer prior to giving any gift, hospitality or entertainment to the staff of a customer.
- 6.4 For the purposes of clarification, gifts, hospitality and entertainment may be provided to government officials, business partners and customers provided the requirements in section 6.3 are satisfied.
- 6.5 Gifts, hospitality or entertainment valued over AUD\$100 per person may only be given or received by Employees:
- a) if the conditions in 6.3 (b) to (m) are satisfied;
 - b) the prior approval of the Director Corporate Affairs or their Country Manager has been obtained.

Once approval is obtained, the Employee is to record the gift, hospitality or entertainment in the Blackmores Group Gift, Entertainment and Hospitality Register maintained by the Director Corporate Affairs.

7. ADDITIONAL PROVISIONS RELATING TO GIFTS

- 7.1 Employees may accept the following gifts without obtaining prior approval **provided** they are nominal in value (less than AUD\$100 per person):
- a) token gifts/benefits where the gifts/benefits are offered to all participants and attendees (for example, seminars, conferences, trade and business events). These items are not given as a personal gift for use outside the business environment and a reasonable person would not perceive the token gifts as items designed to influence or win favours. Examples of token gifts include a pen, cap, stationery, coffee mug, stress ball, mouse pad, corporate umbrella or memory stick.
 - b) a gift/benefit for presenting at a conference, seminar, and/or business event.
 - c) a ceremonial gift from another organisation that you are receiving on behalf of Blackmores Group. Such a gift is the property of Blackmores Group and is to be displayed in accordance with the directions of the Head of Human Resources or the Human Resources Manager Asia or the Human Resources Manager for your country.

- d) a gift / benefit given in gratitude when hosting business events or overseas delegations where refusal would be unreasonable and unnecessarily offensive. Such a gift is the property of Blackmores Group and is to be displayed in accordance with the directions of the Head of Human Resources, the Human Resources Manager Asia, the Human Resources Manager for your country.
 - e) light refreshments (e.g. tea, coffee, water, juice) or a modest meal during a meeting or as a participant of a working group. This is considered a basic courtesy and under similar circumstances the Blackmores Group would reciprocate by providing similar light refreshments/modest meals to attendees at meetings or working groups hosted by the Blackmores Group.
- 7.2 In demonstration of our values, particularly our value of Social Responsibility, Employees are strongly encouraged to donate nominal gifts they may receive to the staff social club where they will be utilised by the business, raffled at Blackmores Group staff functions from time to time and the funds donated to charity, or directly donated to a charity. Such gifts are to be delivered to the Director Corporate Affairs, the Executive Team Member for the relevant business organisation, or the relevant Country Manager.
- 7.3 Any gifts over the value of AUD \$100 per person may only be given or received with the prior written approval of the Director Corporate Affairs or the Country Manager. If approval is provided the gift is to be entered into the Blackmores Group Gift, Entertainment and Hospitality Register by the Director Corporate Affairs.

8. ADDITIONAL PROVISIONS RELATING TO HOSPITALITY AND ENTERTAINMENT

- 8.1 Employees receiving offers of hospitality or entertainment should be cautious where there is an implication that a favour is expected in return. Before an Employee accepts any offer of hospitality the Employee is to report it to, and obtain prior approval from their direct line manager, or other relevant manager under the Delegation of Authority Policy.
- 8.2 Accommodation, interstate or overseas travel is not to be accepted by Employees. If there is a compelling business reason to travel, Employees must obtain prior approval to travel and incur all associated costs in accordance with the Delegation of Authority Policy.
- 8.3 If an Employee is uncertain about the value or appropriateness of hospitality or entertainment being offered they must contact their manager, the Head of Human Resources, the Human Resources Manager Asia, the Human Resources Manager for their country or organisation, the Director of Corporate Affairs, the Legal Counsel or the Head of Compliance for guidance.

9. FACILITATION PAYMENTS

No Employee may offer or make a Facilitation Payment. Should an Employee receive a request for a Facilitation Payment they must immediately notify their direct line manager, the Executive Team Member for the relevant business organisation, the Country Manager or the Director Corporate Affairs.

10. POLITICAL DONATIONS, CHARITABLE DONATIONS AND SPONSORSHIPS

- 10.1 Neither Blackmores Group, nor any Employee may make a direct or indirect contribution to any political party, organisation or individual engaged in politics as a way of obtaining an improper advantage.
- 10.2 Employees are to take care to ensure political donations, charitable donations or sponsorships are not a cover for, or deceit to disguise, Bribery.
- 10.3 All political donations, charitable donations and sponsorships must be made in accordance with applicable local laws, Blackmores Sponsorship Donations Policy and any other applicable policies and procedures.
- 10.4 Before pledging any Blackmores Group funds for charity auction items, Employees must obtain the prior approval of their direct line manager or other relevant manager under the Delegation of Authority Policy, and the Head of Tax. Any charity auction items purchased with Blackmores Group funds are the property of Blackmores Group and must be recorded in the Blackmores Group Gift, Entertainment and Hospitality Register.

11. CONFLICTS OF INTEREST

Where an Employee is in a situation where their employment duties or responsibilities may conflict or appear to conflict with their personal interests, Employees are to disclose the conflict to their manager and remove themselves from any decision making process which may involve or appear to involve their private interests.

12. PRODUCT SAMPLES

Blackmores Group product samples may be provided to consumers, customers and/or staff of customers if:

- a) the purpose of the sampling is to enable them to try the product/s;
- b) the requirements in clause 6.3 relating to gifts have been satisfied in relation to the product samples; and
- c) providing samples of the product is permitted under local regulations.

13. PRIZES AND REWARDS

- 13.1 Money in coins or notes is never to be provided as a Prize or Reward.
- 13.2 In certain circumstances Prizes or Rewards of cash equivalent (for example, vouchers, cheques, money orders, or credit) may be given by the Blackmores Group to Employees.
- 13.3 Employees are to obtain the prior written approval of the customer before offering the customer's staff (for example, pharmacy or health food store assistants) the opportunity to win a Prize or Reward.

- 13.4 Cash equivalent (for example, vouchers, cheques, money orders, or credit) may only be provided as a Prize or Reward to customers, the staff of customers, or consumers if it is:
- a) permitted under applicable laws;
 - b) pre-approved by the relevant manager in accordance with the Group Delegation of Authority Policy;
 - c) recorded fully, truthfully and accurately in the Blackmores Group books and records and treated as legally required under applicable tax laws;
 - d) a genuine reward to the winner/s of a competition, in recognition of an outstanding achievement, or as part of a legally permitted initiative to promote sales; and
 - e) in the case of customer's staff, pre-approved by the customer.

14. USE OF AGENTS OR THIRD PARTY REPRESENTATIVES

- 14.1 Third parties who act on Blackmores' behalf or distribute Blackmores products must operate at all times in accordance with Blackmores Group Code of Conduct, this Policy and any other relevant policies and procedures.
- 14.2 Before retaining a third party, local management must:
- a) Evaluate the business requirement for engaging the third party;
 - b) Obtain all necessary approvals in accordance with the Delegation of Authority Policy;
 - c) Evaluate the background, experience and reputation of the third party;
 - d) Understand the services being provided and methods of compensation and payment;
 - e) Provide the third party with the Code of Conduct, this Policy and other relevant policies and documents and obtain the third party's written agreement to adhering to these requirements;
 - f) Clearly document the respective commitments and expectations of Blackmores Group and the third party in a legally binding agreement which has been reviewed by the Legal Counsel or outside legal counsel and signed by both parties;
 - g) Ensure all compensation and payments to the third party are fully, truthfully and accurately recorded in the Blackmores Group books and records and treated in accordance with all applicable tax laws; and
 - h) Take reasonable steps to monitor the transactions of the third party and conduct regular reviews of performance and compliance.

15. RECORD KEEPING, ACCOUNTING AND PAYMENT PRACTICES

- 15.1 Local management are to ensure that books, records and overall financial reporting are complete, truthful, accurate and transparent, comply with all applicable laws, and meet the standards required for good corporate governance.

- 15.2 Employees are to ensure all expense claims relating to gifts, hospitality, entertainment, product samples, prizes and rewards are submitted in accordance with Group Expense Policy and Group Travel Policy and specifically record the reason for the expenditure.
- 15.3 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, including but not limited to customers, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts are to be kept "off-book" to facilitate or conceal improper payments. Employees are to contact the Group Financial Controller if they have any questions regarding these requirements.
- 15.4 Employees should consult the Finance Director or Head of Finance for their organisation or country if they have any questions regarding the requirements in this section 15.

16. MONITORING AND CONTROL

Country Managers are to take necessary steps to maintain an effective system of internal control and monitoring to prevent Bribery and Corruption. All Employees who are managers are to understand and promote compliance and ensure staff are educated and trained to protect them from unknowingly committing any act of Bribery or Corruption or being subject to the suspicion of doing so.

17. CONSEQUENCES OF NOT ADHERING TO POLICY

- 17.1 Any breach of this Policy by an Employee may result in disciplinary action (up to and including termination). In certain cases, managers may also be subject to disciplinary action (up to and including termination) if Employees reporting to them breach this Policy.
- 17.2 In certain cases, Employees or any third party acting on behalf of Blackmores who breach this Policy may also be subject to criminal and/or civil actions resulting in fines, penalties, and in certain circumstances imprisonment which may apply under applicable laws. Certain acts of Bribery and Corruption committed in one country may result in prosecution locally in the country in which the act/s occur and in other jurisdictions.
- 17.3 Blackmores reserves the right to recover any moneys from an Employee where an Employee has personally benefited as a result of, or arising from, a breach of this Policy.

18. GENERAL

18.1 Questions

Employees are encouraged to speak to their manager, the Head of Human Resources, the Human Resources Manager Asia, the Human Resources Manager for their country or organisation, the Director Corporate Affairs, the Legal Counsel or the Head of Compliance if they have any questions regarding their obligations under this Policy.

- 18.2 What to do if you become aware of, or suspect a breach of this Policy

- a) Employees have a responsibility to help detect, prevent and report instances of Bribery and Corruption and any other wrongdoing.
- b) Employees who become aware of, or suspect, a breach of this Policy are required to report it to the Head of Human Resources, the Director Corporate Affairs, or the Head of Compliance immediately. A failure to do so is considered a breach of this Policy.
- c) All reports received will be investigated under the direction of the Director Corporate Affairs. To the extent possible, investigations regarding this Policy will be conducted confidentially.
- d) Actual or suspected breaches may also be reported anonymously however it is important to remember that anonymous reports may be difficult to investigate if relevant information is missing. For this reason, Employees are encouraged to provide as much information as possible when reporting an actual or suspected breach.
- e) All reports received will be investigated under the direction of the Director Corporate Affairs. To the extent possible, investigations regarding this Policy will be conducted confidentially.
- f) External enforcement agencies may also be notified if any report involves a potential infringement of government legislation or other regulatory requirements.
- g) Any questions about policy, reporting and investigating should be directed to Director Corporate Affairs or the Head of Compliance.

18.3 **No Retaliation**

Blackmores is committed to ensuring that Employees who in good faith report an actual or suspected breach of this Policy are protected from any retaliation in the Workplace.

18.4 **No Waiver**

A delay or failure to enforce a provision of this Policy does not constitute a waiver of Blackmores' right/s to do so.

18.5 **Interpretation**

The headings in this Policy are for reference only and are not intended to limit the meaning or application of the matters stated under the headings.

18.6 **Amendment**

This Policy may be amended or replaced from time to time. The latest version of this Policy can be found on the company intranet or obtained from your Human Resources Manager.

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