

Principles

Giovenco has well established reputation for conducting business in an ethical and honest way. This reputation is built on our company value of integrity, which is a major, underlying theme found throughout our code of responsible Business Practice.

Giovenco strives to participate as a strong competitor in our global market, and is committed to doing so without the use of bribery or other corrupt practices to obtain an advantage.

Bribery and corruption are morally wrong and could seriously damage Giovenco reputation. Bribery is a criminal offence and any corrupt act exposes Giovenco and its employees to the risk of prosecution fines and imprisonment.

Giovenco will apply a “zero tolerance” approach to acts of bribery and corruption by any of our employees. Local management will have the primary responsibility for implementing this policy within their areas of responsibility.

Any breach of this policy will be regarded as a serious matter by Giovenco and will result in disciplinary action up to and including termination of employment or contract.

Scope

The policy applies to Giovenco Industries (Aust) Pty Ltd and the principles of this policy will be implemented across all Giovenco Group Companies.

Local Conditions

This policy must be read in conjunction with, and is subject to, the laws relating to employment and the responsibilities, if any, of employers and employees in the many local environments in which Giovenco operates.

Policy

What are Bribery and Corruption?

Bribery is the offer, promise, giving, demanding or acceptance of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Bribes can take on many different shapes and forms, but typically there will be a “quid pro quo” – meaning that both parties, and a party’s designate, will benefit a bribe could be:

- The direct or indirect promise, offering, or authorisation, of anything of value (whether the value is material or not)
- The offer or receipt of any kickback, loan, fee, reward or other advantage; or
- The giving of aid, donations or voting
- Designed to exert improper influence

Acts of bribery are designed to influence individuals to act dishonestly in the performance or discharge of their duty. For the purpose of this policy whether the target of the act of bribery works in the public or private sector is irrelevant. Corruption is the misuse of office or power or influence for private gain.

Who may be guilty of Bribery and Corruption?

In the eyes of the law, bribery and corruption can be committed by:

- An employee, officer or director; or
- Any person acting on behalf of another; or
- Organisations which authorize, permit or facilitate others to carry out such acts

People who are likely to be approached with bribes or corrupt conduct are generally those who are able to obtain, retain or direct business are involved in some aspect of the regulation or purchase of a company's products and services, for example, tendering and contracting, or the handling of administrative tasks such as licences, customs, taxes.

Bribery and Corruption Laws and Enforcement

Bribery is a criminal offence and penalties can be severe for both companies and individual employees. There is legislation in many countries, including Australia (Criminal Code Act) and Foreign Corrupt Practices Act. Acts of bribery and corruption committed overseas may well result in a prosecution at home and in other jurisdiction's

Bribery and Corruption Prevention

Risk Assessment

Local management must assess the vulnerability of each business unit to bribery and corruption risks. Where bribery and corruption risks are identified they should be managed in line with the companies risk management framework.

Accurate Books and Record Keeping

Local management must ensure that books, records and overall financial reporting must also be transparent. That is, they must accurately reflect each and all underlying transactions

Effective Monitoring and Control

Local management must take the necessary steps to maintain an effective system of internal control and monitoring to prevent bribery and corruption. This must include education and training of employees

Key Risk Areas for Bribery and Corruption

Gifts, Entertainment and Hospitality

Gifts, entertainment and hospitality include the receipt or offer of gifts, meals or tokens of appreciation and gratitude, or invitations to events, functions, or other social gatherings, in connection with matters related to our business. These activities are acceptable provided they;

- Fall within reasonable bounds of value and occurrence as defined
- Do not influence, or are not perceived to influence, objective business judgement

Giovenco employees and staff must not accept gifts or entertainment where to do so might influence or perceive to influence objective business judgement

How to evaluate what is 'acceptable'

First each person must take a step back and ask the following when giving or receiving any gift, entertainment or hospitality:

- What is the intent – is it to build a relationship or is it something else?
- How would this look if these details were reported on the front of a newspaper
- What if the situation were to be reversed – would there be a double standard?

If you find it difficult to positively answer one of the above questions, there is a risk involved with the gift, entertainment or hospitality could be, or could appear to be, improper and could potentially damage Giovenco reputation and business. The action could well be unlawful. Although no two situations are the same, the following guidance should be considered.

Never Acceptable

Circumstances which are never permissible include examples that involve;

- A quid pro quo (a benefit or advantage offered for something in return)
- Gifts in the form of cash/ or cash equivalent vouchers: or
- Making incomplete, false or inaccurate entries in Giovenco books and records

Sometimes acceptable

Activities that may be acceptable depending upon the particular jurisdiction and the particular person that Giovenco does do business with include:

- Modest or occasional meal
- Occasional attendance at ordinary sports, theatre and other cultural events
- Gifts of nominal value, such as pens, or low value promotional items

Determining acceptable value

The Giovenco Board has determined that a acceptable value for gifts, meals and entertainment not exceed \$100

How to raise a concern

Persons have a responsibility to help detect, prevent and report instances not only of bribery and corruption, but also of any other suspicious activity or wrongdoing in connection with Giovenco business. Giovenco is absolutely committed to ensuring that all Giovenco personnel have a safe, reliable and confidential way of reporting any suspicious activity.

A Giovenco employee may report the issue/concern to their manager in the first instance. If for some reason it is not possible to speak to their manager then the issue or concern then it should be reported to another senior manager or Director

In the event that an incident of bribery, corruption, or wrongdoing is reported, Giovenco will act as soon as possible to evaluate the situation. In addition to any internal procedures, this includes the referral to appropriate government enforcement agencies

Paul Giovenco

Paul Giovenco
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May 2013