



Anti-Bribery and Anti-Corruption Policy

Fluence Corporation Limited (ACN 127 734 196)

Adopted by the Board of Directors on April 20, 2021

Custodian	Chief Legal Officer and Company Secretary
Date of next scheduled review	April 20, 2023
Legislative framework and regulatory compliance	ASX Corporate Governance Principles and Recommendations (4 th Edition)
Regulators	ASX

1. Introduction

1.1 Purpose of this Policy

This is the Anti-Bribery and Anti-Corruption Policy (the **Policy**) for Fluence Corporation Limited ACN 127 734 196 (the **Company**).

The Company prohibits, and actively works to ensure no Covered Persons (as defined below) are involved in any manner in, any form of bribery or corruption and is committed to conducting its business legitimately, ethically and in compliance with all laws, including, without limitation:

- (a) the Australian Criminal Code Act 1995 (Cth) as amended;
- (b) OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;
- (c) the United States Foreign Corrupt Practices Act (the **FCPA**);
- (d) the UK Bribery Act; and
- (e) any other anti-bribery and/or anti-corruption laws in countries where the Company operates (collectively with (a)-(d), the **Applicable Laws**).

The objectives of this Policy are to ensure that under all circumstances all Covered Persons (as defined below) shall:

- (a) not provide, offer, authorize or accept payments, gifts, benefits or anything of value that could compromise or appear to compromise, their integrity and objectively in performing their duties;
- (b) not give, offer, authorize or accept payment, gifts, benefits or anything of value that could cause, or appear to cause a conflict of interest;
- (c) not give, offer, authorize or receive payment involving a person in a fiduciary position, employees of national, state, local or municipal governments, persons employed by a government agency, or personnel with companies subject to partial government ownership to obtain or retain business or to secure an improper business advantage;
- (d) be educated on what gifts and benefits are acceptable and unacceptable; and
- (e) promote investor confidence in the integrity of the Company and its practices.

This Policy also sets out the process to be followed if there are concerns that any Covered Person is not complying with or has not complied with this Policy. Any and all material or suspected breaches of this Policy must be immediately reported to a Custodian of this Policy in accordance with the AB&C Compliance Program (as defined below).

1.2 Applicability

This Policy applies to all of the Company's people, who include but may not be limited to:

- (a) all Company officers, directors, associates, contractors, consultants, advisors and employees, wherever located (the **Company Personnel**);
- (b) any individual or entity, including any personnel working for such individual or entity, engaged to act on behalf of the Company and/or with authority to bring the Company into contractual relationships with other parties and/or represent the Company having the authority to describe itself as the Company representative in dealing with other parties (**Agents and Representatives**, together with Company Personnel, collectively the **Covered Persons**);

The Policy will be made available to all Covered Persons upon commencement with the Company during the induction or engagement process and will be available on an ongoing basis on the Company's website.

The Policy is to be read in conjunction with the Company's:

- (a) Code of Conduct (including its Statement of Values);
- (b) Whistleblower Policy; and
- (c) the Applicable Laws.

Copies of the Code of Conduct and Whistleblower Policy can be accessed via the Company's website or made available upon request to a Custodian. Copies of the Applicable Laws are available from the General Manager of the applicable business unit or a Custodian.

2. Consequences of Non-Compliance

Non-Compliance with any Applicable Laws and this Policy can have serious consequences for the Company, and the individuals involved.

If the Company is found to be liable for a contravention of any Applicable Laws it could face significant fines or penalties, be excluded from tendering for public contracts, and there is a real risk that individuals involved may also be subject to criminal, civil and administrative penalties.

The impacts of non-compliance with the Applicable Laws or any other bribery or corruption offences extends beyond the civil and criminal penalties and may include:

- (a) impacting the Company's reputation and the Company's ability to procure and retain business and/or clients;
- (b) impacting the Company's ability to do business with government or public international organisations which may require a declaration that the Company has complied, and will comply, with certain laws;
- (c) increased regulatory scrutiny and prosecution of the Company and/or its subsidiaries; and
- (d) potential breach of certain established contractual provisions relating to compliance with applicable anti-bribery and anti-corruption laws, which may trigger termination rights, penalties and/or litigation.

3. Key Principles of Bribery and Corruption and Red Flags

Bribery is a form of corruption and refers to the direct or indirect act of offering, promising, giving, authorizing, accepting, receiving or soliciting an Advantage as an inducement for an Improper Purpose or Improper Performance, that is not legitimately due and not based on merits or performance.

Covered Persons are not permitted to give, offer, promise, accept, request or authorise a bribe, whether directly or indirectly.

Covered Persons should be aware that:

- (a) bribery is not limited to the public sector; it can also occur in the private sector;
- (b) bribery includes bribes made directly or indirectly (such as through an intermediary);
- (c) a bribe offered does not have to be accepted for an offence to be committed;

- (d) a bribe may be monetary or non-monetary in value;
- (e) to offer, promise, give or authorise an Advantage to a Third Party, either directly or indirectly, for an Improper Purpose, Improper Performance or in circumstances that might reasonably be viewed as creating the appearance of impropriety is a form of bribery; or
- (f) to accept, receive, solicit or authorise an Advantage from a Third Party, either directly or indirectly, for an Improper Purpose, Improper Performance or in circumstances that might reasonably be viewed as creating the appearance of impropriety is a form of bribery.

In addition, Covered Persons should be aware of the following common red flags that may indicate improper activity:

- (a) a transaction is in, or involves, a country known for corruption (Transparency International CPI);
- (b) rumors of unethical or suspicious conduct;
- (c) requests for unusual payment arrangements (i.e. use of third country bank account or parties or accounts in jurisdictions known for secrecy);
- (d) lack of facilities, qualified staff, experience or “track record” in industry;
- (e) refusal to agree to anti-bribery and/or anti-corruption compliance certifications, representations and warranties;
- (f) excessive commission, expenses or payment demands;
- (g) unwillingness to document arrangement on paper;
- (h) personal or family relationships with government officials;
- (i) false or inconsistent statements or resistance to diligence;
- (j) refusal to identify individuals with ownership interests;
- (k) requests for cash payments; and/or
- (l) demands for specific political or charitable contributions.

4. Compliance Process

The Policy and the Company's related anti-bribery and anti-corruption compliance program (the **AB&C Compliance Program**) will be administered by the Company Secretary and the Chief Legal Officer and provides a framework that:

- (a) raises awareness of anti-bribery and anti-corruption risks;
- (b) delivers compliance training and promotes ethical business conduct;
- (c) maintains systems and procedures for giving, receiving and registering Gifts and Hospitality;
- (d) maintains systems and procedures for conducting due diligence on Third Parties; and
- (e) investigates any reported suspicions of bribery or corruption involving the Company.

5. Responsibilities

5.1 Covered Persons Responsibilities

Covered Persons are required to:

- (a) read, understand and comply with this Policy in all of the Company's dealings;
- (b) act ethically and with integrity, avoiding even the appearance of impropriety;
- (c) maintain timely, accurate and complete records of all expenditures and payments in accordance with Company policies and standard commercial practice; and
- (d) immediately report any suspicious activities.

Company Personnel are also required attend and participate in training sessions relating to the Policy and the AB&C Compliance Program.

In addition, Company Personnel who exercise managerial supervision over Covered Persons must also:

- (a) ensure all persons under his or her supervision understand their obligations under this Policy;
- (b) never request or suggest that Company Personnel and/or Third Parties pursue or achieve business results at the expense of breaching this Policy or an Applicable Law;
- (c) create an environment that enables and encourages others to raise concerns; and
- (d) respond appropriately to questions and concerns related to this Policy (including referring Company Personnel and/or Third Parties to a Custodian, if appropriate).

5.2 Record Keeping

- (a) The Company must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to Third Parties.
- (b) Covered Persons must declare and enter all gifts and benefits received in excess of US \$250 into a gift and entertainment register with a copy forwarded to the Company Secretary.
- (c) Covered Persons must ensure that all expenses and claims relating to Hospitality and Gifts or expenses incurred to Third Parties are submitted in accordance with the Company's expenses procedure and specifically record the reason for the expenditure.
- (d) All accounts, invoices, memoranda and other documents and records relating to the dealings with Third Parties should be prepared with and maintained with strict honesty, accuracy and completeness. No accounts can be kept 'off-book' to facilitate or conceal an Advantage for an Improper Purpose or Improper Performance.

6. Processes And Procedures

6.1 Gifts and Hospitality

Gifts and Hospitality made in good faith, including promotional and other business expenditures, which seek to better establish relations are an important part of the Company's business. This Policy does not intend to prohibit reasonable and proportionate Gifts and Hospitality for that purpose.

However, exchanges of Gifts and Hospitality, even if made in the ordinary course of business, may compromise, or appear to compromise, the exercise of objective business judgement.

Covered Persons must be cautious when giving or receiving Gifts and Hospitality, and must only do so in circumstances where they are:

- (a) for a genuine purpose and given in the ordinary course of business;
- (b) reasonably proportionate and of a casual and occasional nature;
- (c) incidental to and for the express purpose of furthering a proper and professional relationship;
- (d) not for an Improper Purpose or Improper Performance;
- (e) not placing the recipient under any obligation;
- (f) not made secretly without documentation;
- (g) appropriate in nature for the relationship;
- (h) on an 'arm's length' basis with no special favours and no special arrangements; and
- (i) compliant with all laws (including, without limitation, the Applicable Laws).

Covered Persons must not offer, promise, give or authorise any Gifts and Hospitality to a Public Official or State-Owned Entity unless approved in advance by a general manager of a Custodian.

If a Covered Person is involved in a tender process or bid discussion, including when a decision is pending, such Covered Person must not offer, promise, give, accept or receive any Gifts and Hospitality to/from the tendering party or any Third Party also involved in the tender/bid (whether the Company is issuing or responding to the tender/bid).

All Gifts and Hospitality must be recorded accurately when submitting purchase orders or reimbursement requests in accordance with the Company's expense management procedures.

6.2 Travel and Accommodation

Each Covered Person is responsible for ensuring that all business travel is legitimate and travel arrangements are carried out in accordance with all applicable travel procedures issued by the Company.

All travel and accommodation expenses must be reasonable, bona fide and directly related to the demonstration, promotion or explanation of the Company's business.

The Company prohibits the acceptance of any travel and accommodation-related Gifts and Hospitality from Third Parties, except in exceptional circumstances and when pre-approved by a general manager or Custodian. The Company also will not pay for or reimburse any Third Party's travel and accommodating costs (including 'per diem' payments) unless pre-approved in accordance with the foregoing.

6.3 Payments to Third Parties

Except for genuine and reasonable Gifts and Hospitality, an Advantage offered, promised or given to Third Parties should be an appropriate and justifiable payment for legitimate services or products properly rendered.

No payment to any Third Party may be offered, promised or made:

- (a) in cash (other than documented petty cash disbursements);
- (b) in cash equivalents such as a corporate credit card, gift card or shopping voucher; or

- (c) with corporate cheques payable to "cash", "bearer" or third-party designees of the party entitled to payment.

Each Covered Person must ensure that financial records (including invoices and receipts) clearly and accurately specify the recipient of the payment, the country of residence or operation of the recipient, and the purpose of the payment.

6.4 Third Party Due Diligence

The Company is obligated to take adequate steps to prevent bribery and corruption when engaging with Third Parties.

Before engaging any Third Party, other than in the ordinary course of business, Covered Persons must obtain approval in accordance with applicable policies and delegations of authority.

Each Covered Person is responsible for reporting to the Custodian or the general manager any information that may increase the risk posed by an existing or proposed relationship between the Company and a Third Party.

6.5 Contract Governance

All commercial arrangements must be clearly documented in writing and duly executed by the Company and the relevant Third Party.

All new contracts, including any renewals or amendments of existing contracts, involving Agents and Representatives and/or high risk Third Party(s), must include provisions indicating that all parties will comply with this Policy and all Applicable Laws.

Agents and Representatives shall not act on the Company's behalf until a written agreement has been properly approved in accordance with the Company's delegation of authority.

6.6 Facilitation Payments

The Company prohibits the giving and receiving of facilitation payments at all times (unofficial minor payment to secure, expedite or facilitate a routine government action).

6.7 Charitable Contributions

Whilst personal donations are at the discretion of the individual, any donations to any cause or charity on behalf of the Company must be approved per the delegation of authority, for approved causes, to registered bodies and must not give rise to adverse reputational risks.

6.8 Political Donations & Sponsorship

The Company does not make political donations to political parties. Care must be exercised when providing any other charitable donations or sponsorship.

6.9 Conflicts of Interest

The Company's position on conflicts of interest is set out in the Company's Code of Conduct available on the Company's website.

6.10 Solicitation, Extortion and Personal Safety Payments

If a Public Official (or someone claiming to act on their behalf) attempts to solicit or extort Anything of Value from a Covered Person, such Covered Person must refuse and inform them that the Company does not improperly provide Anything of Value to Public Officials. The Covered Person should then inform a Custodian.

As a narrow exception to the above prohibition on solicitation and extortion, the Company does allow personal safety payments to be made in exceptional circumstances where a Covered Person reasonably believes that harm to an individual's health or safety appears imminent, or the Covered Person or others may be in imminent danger if payment is not made.

If you make a personal safety payment, you must report the payment and circumstances to the Custodian as soon as possible after the danger has passed. All personal safety payments must be recorded appropriately in the Company's financial records.

6.11 Good Faith Reporting

The Company encourages raising concerns in good faith and expects all Covered Persons to report all activity which does or may breach this Policy or any of the Applicable Laws.

To report suspicious activity, please contact a Custodian, or alternatively refer to the Company's Whistleblower Policy, available from the Company's website or made available on request from the Company Secretary.

There will be no retribution of any kind for reports made in good faith.

7. Definitions

Advantage can take the form of gifts, loans, fees, rewards or other advantages. It may include but is not limited to, for example: artwork, business, employment or investment opportunities (including jobs or internships for relatives), cash and cash equivalents in any amount (such as gift cards or shopping vouchers), commissions, kickbacks, rebates, loans or other compensation, contractual rights or interest, discounts or credit, electronics, equipment, ex gratia payments and gratuities, hampers and alcohol, home/property improvements, in-kind services, jewellery, meals, entertainment, travel, accommodation and other hospitality (including the use of vacation facilities or hotels), payment of other expenses, political donations or charitable contributions, prizes or tickets to events, stocks, securities or participation in stock offerings, training and vehicles (or use of).

Gifts and Hospitality means an Advantage offered, promised, given, accepted or received to/from a Third Party that is:

- (a) for a genuine purpose and given in the ordinary course of business;
- (b) reasonably proportionate and of a casual and occasional nature;
- (c) incidental to and for the express purpose of further a proper and professional business relationship; and
- (d) not for an Improper Purpose of Improver Performance.

Improper Performance means:

- (a) taking or failing to take any action; or
- (b) making a decision, which in either case is illegal or in breach of an expectation or duty of good faith, impartially and/or trust;

Improper Purpose means for the purpose of:

- (a) influencing or causing a person to act, perform or fail to act or perform in breach of a legal duty;
- (b) influencing or causing a person to abuse or misuse their position; or
- (c) securing an improver advantage, contract or concession.

Public Official means:

- (a) an elected or non-elected official, officer, employee or contractor of any government (whether state, regional or local) or public international organisation (for example, the United Nations, World bank) or any agency, department or instrumentality thereof (including officers and employees of a State-Owned Entity), controlled or operated by the government;
- (b) an official of a political party;
- (c) a candidate for political office;
- (d) a member of the police, customs, immigration, judiciary or other government agency; or
- (e) a person acting on behalf of any of the above.

State-Owned Entity means any entity that undertakes activities on behalf of an owner government (having at least 35% ownership in the entity), which includes government-owned corporations, state-owned companies and enterprises, publicly owned corporations, public/private partnerships, government business enterprises, commercial government agencies and public sector undertakings.

Third Party means any individual or entity not employed or engaged by the Company (i.e. not Covered Persons), and includes any joint venture partner, agent and representative, advisor, affiliate, contractor, consultant, intermediary, actual or potential customer, broker, dealer, distributor, supplier, service provider, vendor, shipping company or agent, customs agent, exporter, shipper, consignee, receiver, Public Official or State-Owned Entity.

8. Review

This Policy shall be reviewed by the Board with the assistance of Chief Legal Officer and Corporate Secretary at least every two (2) years to ensure it is operating effectively. Any recommended changes must be approved by the Board or its delegated committee.

The Company Secretary is authorised to make administrative and immaterial amendments to this Policy provided that any such amendments are notified to the Board or its delegated committee at or before its next meeting.

The Company will ensure that any updates to this Policy, its processes and procedures, including any updates thereto, are widely disseminated to, and easily accessible by, all Covered Persons.

9. Further Assistance

Any questions regarding this Policy should be referred to the Chief Legal Officer and/or the Company Secretary.