

# Anti-Bribery and Corruption, Fraud and Money Laundering Prevention Policy

**BGH Holdco A Pty Ltd (to be renamed Marron Group Holdings Pty Ltd)**  
(ACN 631 941 403) (Holdco)  
(ultimate parent company of the Navitas Group)



## Document

<b>Document Name</b>	Anti-Bribery and Corruption, Fraud and Money Laundering Prevention Policy
<b>Responsibility</b>	Group CEO
<b>Brief description</b>	<p>This policy requires all staff, contractors and officers to:</p> <ul style="list-style-type: none"> <li>act in accordance with the highest ethical and legal standards</li> <li>not engage or be involved in fraud, bribery and corruption, money laundering and other unlawful financial activities</li> <li>report any internal and external suspicions or incidents of fraud, bribery and corruption, money laundering and other unlawful financial activities</li> </ul> <p>ensure all expense claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with Navitas expenses procedures and specifically record the reason for the expenditure.</p>
<b>Initial Issue Date</b>	05/08/2019

## Version Control

Date	Version No.	Summary of Changes	Reviewer Name and Department/Office
05/08/2019	V1.0	Initial Issue	Board
29/10/2019	V1.1	Minor revisions	Board
24/2/2020	V1.2	Update to Delegations of Authority	General Counsel
3/6/2020	V2.0	Update for trade sanction procedures	General Counsel

## Related Documents

Name	Location
<a href="#">Navitas obligations to stakeholders</a>	Policy HUB

Name	Location
<a href="#">Values in Action</a>	Intranet
<a href="#">Whistleblowing Policy</a>	Policy HUB
<a href="#">Risk Management Policy</a>	Policy HUB
<a href="#">Financial delegations</a>	Policy HUB
<a href="#">Gift and benefits policy</a>	Policy HUB
<a href="#">Trade Sanction Control Procedure - Fees and Commissions</a>	Policy HUB
<a href="#">Trade Sanction Control Procedure - Students</a>	Policy HUB
<a href="#">Trade Sanction Control Procedure - Recruitment Agents</a>	Policy HUB

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## 1 Executive Summary

- 1.1 Holdco and each of its subsidiaries (collectively, Navitas) is committed to conducting business in accordance with the highest ethical and legal standards. Navitas has a 'zero tolerance' policy towards fraud, bribery and corruption, money laundering and other unlawful financial activities (collectively, 'ABC, AML and fraud matters') and will thoroughly investigate and seek to take disciplinary and/or legal action against those who perpetrate, are involved in or assist with or otherwise engage in such matters in any of our operations.
- 1.2 Navitas defines<sup>1</sup>:
- i) "Fraud" as dishonest activity causing actual or potential financial loss to Navitas, including theft of monies or other property by any stakeholder, whether or not deception is used at the time, immediately before or immediately following the activity.
  - ii) "Corruption" as dishonest activity in which any stakeholder acts contrary to the interests of Navitas and abuses his / her position of trust in order to achieve some personal gain or advantage for himself / herself or for another person or organisation.
  - iii) A "Bribe" as a type of fraud and is considered corrupt behaviour. A bribe is anything of value given, offered, promised, accepted, requested or authorised (directly or indirectly) with the intent that a person who is trusted or expected to act in good faith or with impartiality, performs that function improperly or in order to gain an illicit advantage in the course of business.
- 1.3 Navitas is committed to:
- i) Ensuring efficient and effective systems, procedures and internal controls are in place to enable the prevention and detection of ABC, AML and fraud matters;
  - ii) Ensuring managers identify ABC, AML and fraud matters and risks in their areas of business and that all systems, procedures and internal controls are properly implemented and enforced;
  - iii) Ensuring all members of staff and contractors understand that they have a duty to report any internal and external suspicions or incidents of ABC, AML and fraud matters;
  - iv) Keeping appropriate and accurate records of dealings with government officials and Navitas business partners; and
  - v) Continuously reviewing our systems, procedures and internal controls through risk management processes and audit arrangements.
- 1.4 This policy has been adopted by the Board of Holdco, the ultimate parent company of the Navitas Group, and the Navitas Leadership Team ("NLT") to communicate this message and to assist those working with Navitas to uphold it. The NLT, management teams and senior staff are responsible for ensuring those reporting to them are made aware of and understand this policy.
- 1.5 This policy will be reviewed annually to reflect legal and regulatory developments and to ensure its appropriateness.

## 2 Introduction

- 2.1 Navitas will conduct its business ethically and in accordance with the applicable laws and regulations of the countries in which it operates. Collectively these laws relating to ABC, AML and fraud matters include, and are not limited to:
- vi) the Australian *Criminal Code Act 1995* and state equivalents;
  - vii) the *Canadian Corruption of Foreign Officials Act* and *Criminal Code*;
  - viii) the United Kingdom *Bribery Act 2010*;

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<sup>1</sup> Adapted from the Australian Standard AS8001-2008 Fraud and Corruption Control

- ix) the United States *Foreign Corrupt Practices Act 15 U.S.C* and similar anti-bribery laws of other countries;
  - x) the sanctions program administered by the United States Department of Treasury's Office of Foreign Assets Control ("**OFAC**") and similar economic sanctions laws;
  - xi) the sanctions program administered by the UK Treasury;
  - xii) Canadian sanctions regimes implemented under the *Special Economic Measures Act, Justice for Victims of Corrupt Foreign Officials Act* and *Freezing Assets of Corrupt Foreign Officials Act*;
  - xiii) laws implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the United Nations Convention Against Bribery;
  - xiv) anti-money laundering laws; and
  - xv) the 'consolidated united nations security council sanctions list'  
<https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list>
  - xvi) Australian sanctions regimes administered under the Autonomous Sanctions Act 2011. It should be noted the Australian sanction laws implement the United Nations Security Council ("**UNSC**") sanctions regimes and Australian autonomous sanctions regimes, which may overlap with, or be in addition to, the United Nations sanctions regimes. Australian sanction laws apply broadly, including to activities in Australia and by Australian citizens and Australian-registered bodies corporate overseas.
- 2.2 Recruitment agents who are contracted with Navitas are expected to also abide by the highest professional and ethical standards for student recruitment. These are outlined in the 'Navitas Representative Agreement Terms & Conditions' provided to all prospective agents.
- 2.3 Whilst reference is made in some anti-bribery and corruption laws to only focus on acts of bribery and corruption with 'public officials', Navitas adopts the stance that any such act with any stakeholder is unacceptable.
- 2.4 Navitas considers its stakeholders for the purposes of this policy to be its employees, agents, universities, creditors, customers, suppliers, contractors, governmental and non-governmental organisations, the communities where Navitas operates and other parties that have influence over or are influenced by Navitas.

### 3 Preventing fraud, bribery and corruption

- 3.1 Various policies and procedures designed to prevent ABC, AML and fraud matters (as defined in Sections 1.1 and 1.2) have been implemented for the Navitas Group, including:
- i) [Navitas' Environmental, Social and Governance Policy](#);
  - ii) [Navitas' code of conduct titled Values In Action: Our Commitments and Expectations](#);
  - iii) [Navitas' Whistleblowing Policy](#);
  - iv) Risk management: [Navitas Group Risk Management Policy Statement](#)
  - v) [Delegations of Authority](#);
  - vi) Gifts and benefits policy and register; [Gifts and Benefits Policy](#); and
  - vii) Trade sanction control procedures in relation to: Fees and commissions; Students; and Recruitment Agents.
- 3.2 Senior management recognises they are an important second line of defence in the oversight of ABC, AML and fraud matters prevention activities and takes a leadership position to prevent the risk of ABC, AML and fraud matters by making aware to all stakeholders they are required to comply with relevant policies and procedures.
- 3.3 Line management are responsible for controlling ABC, AML and fraud matters within their business units, particularly to identify potential risks, to implement controls and to report ABC, AML and fraud matters as a minimum expectation.

- 3.4 Line management recognises that internal controls are often the first line of defence against ABC, AML and fraud matters and will ensure the maintenance of a strong internal control system and the promotion and monitoring of a robust internal control culture.
- 3.5 Procedures have been designed to minimise the risk of fraudulent activities occurring and include measures such as segregation of duties and logical access to systems, approval mechanisms, and strict record keeping requirements.
- 3.6 Management will be responsible for developing and implementing controls for all ABC, AML and fraud matters risks assessed as inherently extreme or residually extreme or high to mitigate the risks noted. Group Internal Audit and Risk Management will review these controls for suitability on an ongoing basis and report material matters to the Board.

#### 4 Detection of ABC, AML and fraud matters

- 4.1 A third of all frauds are detected by employees, so it is important that all Navitas staff are aware of their responsibilities when it comes to fraud reporting.
- 4.2 Any Stakeholder who is an employee, officer or contractor of Navitas and has knowledge of unlawful activity or incident, or has reason to suspect that ABC, AML and fraud matters has occurred, has an obligation to immediately report the matter to their line manager.
- 4.3 If the Stakeholder has reason to believe that their manager may be involved, or they are uncomfortable making the disclosure to this person, the matter should immediately be addressed to your Human Resources Business Partner or with an NLT member or reported through the “Speak up through Whispli” platform in accordance with the Whistleblowing Policy;
- 4.4 The recipient of the information is not to discuss the matter with anyone other than those to whom the disclosure has been made or those who are investigating the matter. The Stakeholder is not to conduct any preliminary investigations.
- 4.5 Provisions are made in this policy to protect the identity of the person making any claims of conduct involving ABC, AML and fraud matters.

#### 5 Reporting of suspected breaches of this policy

- 5.1 If you suspect a breach of this policy, including suspected fraudulent, bribery or corrupt behaviour, it is recommended to first discuss with your immediate line manager.
- 5.2 If your line manager is suspected of breaching this policy, you should discuss with your Human Resources Business Partner or with an NLT member.
- 5.3 Regardless of who is initially informed, the NLT must be made aware of suspected breaches of this policy.

#### 6 Responding to detected incidents involving ABC, AML and fraud matters

- 6.1 Where an incidence of fraud, bribery, corruption or associated improper conduct is reported that may require an investigative response, those informed of the matter will convene a response team.
- 6.2 The decision to escalate a reported matter into an investigation is at the discretion of the NLT.
- 6.3 Following an investigation where unlawful conduct is substantiated, Group Internal Audit and Risk may conduct a review of the relevant controls and determine at which point the system of internal control failed and whether corrective action needs to be taken. Results will be reported to the Board.

#### 7 Roles and responsibilities for ABC, AML and fraud matters prevention and detection

- 7.1 The **Board** of Holdco is committed to the pro-active prevention of financial ABC, AML and fraud matters activities in a systematic way in order to enhance the operation and reputation of Navitas. The Board has an important role in the oversight, review and approval of policies and procedures to prevent, detect and investigate ABC, AML and fraud matters. In addition, the

Board review and approve policies to control or mitigate the risk of ABC, AML and fraud matters.

- 7.2 The Board is responsible for setting the 'tone at the top' and ensuring support is established at the highest levels for ethical and responsible business practices. Board members not only have a fiduciary duty to ensure that Navitas has programs and controls in place to address the risk of wrong doing but also a duty to ensure that such programs and controls are effective. The Board or its nominee has the authority to conduct any investigations it considers necessary.
- 7.3 The Board reviews all instances of reported misconduct including the appropriateness and adequacy of actions resulting from investigation and changes to prevent future recurrence.
- 7.4 The **Group Chief Executive Officer (CEO)** is responsible for assessing the risk of misconduct and the implementation of effective controls to prevent unlawful activity. The CEO is ultimately responsible for the establishment of a cost-effective internal control structure for the organisation. Financial, administrative, information systems and service specific internal controls are all essential requirements for ABC, AML and fraud matters prevention.
- 7.5 **The Chief Finance Officer (CFO)** has primary responsibility for the implementation of effective financial controls and financial management systems that minimise the risk of ABC, AML and fraud matters.
- 7.6 **Navitas Leadership Team (Senior Management)** must display appropriate attitudes towards compliance with laws, rules and regulations. NLT are responsible for establishing and maintaining cost-effective internal controls within their areas of responsibility that provide for the security and accountability of Navitas' resources and prevent / reduce the opportunity for misconduct. They should ensure that they are aware of indicators / symptoms of fraudulent, bribery and corrupt conduct, or other wrongful acts and respond appropriately to such indicators.
- 7.7 **General Managers and BU leaders (Line Management)** have primary leadership responsibility for risk management initiatives within their functions and business units. Each manager is responsible for identifying potential ABC, AML and fraud matters risks and operating effective controls whilst ensuring compliance within their respective operations.
- 7.8 **The Group Internal Audit and Risk Manager** is responsible to maintain a Navitas Group-wide risk framework to assist Navitas to administer their identified risks to ABC, AML and fraud matters.

## 8 Penalties

- 8.1 Where there is proven evidence of ABC, AML and fraud matters behaviours, appropriate disciplinary measures will be taken in accordance with relevant human resources procedures and after consultation with the NLT and Board.
- 8.2 A breach of relevant laws can be a serious offence, which may result in fines on Navitas and the individual, and imprisonment of employees, contractors or its officers. Wilful and flagrant abuse or violation of this policy will subject the employee, contractor or officer to disciplinary action, including dismissal or termination of contract and potentially reporting the incident to the appropriate authorities.
- 8.3 The appearance of a breach of these laws can have a serious reputational impact on Navitas.
- 8.4 A breach of this policy by a third party will be regarded as an extremely serious matter by Navitas and Navitas may exercise any contractual or civil remedy available to it in order to address the matter.
- 8.5 Where unlawful activity has been identified as criminal, the CEO with Group Legal Counsel will determine when and how the police and any other relevant authorities are notified.
- 8.6 Civil action aimed at the recovery of misappropriated property will be at the discretion of the CEO after consultation with the Board.

## 9 Protection and Navitas Whistleblowing Policy

- 9.1 The Navitas Whistleblowing Policy sets out the global approach of Navitas relating to the management of whistleblowing and the protection of employees and other persons who 'blow the whistle'.
- 9.2 Those who raise concerns or report another person's wrongdoing may be concerned about possible repercussions. Navitas encourages openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.
- 9.3 A person who makes a disclosure will not be subject to any civil or criminal liability, or any liability arising by way of administrative process (including disciplinary action) for making the disclosure.
- 9.4 No individual may be discriminated against for reporting an ABC, AML and fraud matters or co-operating, giving evidence, or participating in an investigation, proceeding or hearing.

## 10 Record keeping

- 10.1 Navitas will keep financial records and have appropriate internal controls in place which will evidence the business reasons for making payments to third parties.
- 10.2 Personnel must ensure all expense claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with Navitas expenses procedures and specifically record the reason for the expenditure.
- 10.3 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness.
- 10.4 Failure to maintain accurate records may be a contravention of certain ABC, AML and fraud matters laws, including anti-bribery and corruption laws and particularly the FCPA, under which most prosecutions are for failure to maintain accurate records.

## 11 Review

- 11.1 This policy will be reviewed annually to reflect legal and regulatory developments and to ensure its appropriateness.