



# Fraud and Corruption Prevention Policy

## 1. Commitment

Sydney Airport is committed to high standards of ethical conduct and to promoting and supporting a culture of ethical behaviour, good corporate governance and compliance with all applicable laws.

All business dealings must be conducted with our purpose in mind: A leading global airport connecting Australia and led by our value to “always do the right thing”; ethical business and honesty is at the heart of everything we say and do.

Sydney Airport has no tolerance for fraud, bribery or corruption in any part of its business. Improper conduct referred to in this policy may constitute serious criminal and civil offences for Sydney Airport and any individuals and entities involved and may attract serious penalties and reputational damage.

All Employees and Third Party Associates have a responsibility to help prevent, detect and report unethical, unlawful or improper conduct. It is important that all Employees adhere to procedures that are put in place to support this Policy.

## 2. Purpose

This policy is part of Sydney Airport’s Risk Management Framework. It sets out Sydney Airport’s:

- expectations that must be adhered to, to prevent fraud, bribery and corruption, and
- the requirements for political and charitable contributions and sponsorships.

## 3. Scope

This policy applies to anyone who is employed by or works for Sydney Airport including employees, contractors, consultants and directors, wherever located (**Employees**). Sydney Airport expects those who perform services for or on behalf of Sydney Airport (**Third Party Associates**), to abide by the standards of this policy or an equivalent policy.

## 4. Prohibited conduct

### 4.1. Fraud

Employees and Third Party Associates must not commit or be involved in fraud in any form, in connection with Sydney Airport’s business. In performing their role for Sydney Airport, they must always act honestly and with integrity.

**Fraud** is any dishonest conduct which causes actual or potential financial loss to Sydney Airport or a third party. Fraud can include but is not limited to:

- financial theft including through false expense claims or invoicing

- improper or unauthorised expenditure including unauthorised use of a credit card
- theft of property
- falsification of records or data including financial reporting or expense claims
- theft of intellectual property or other confidential information
- improper use of inside information

#### 4.2. Bribery and corruption

Employees and Third Party Associates must not commit, authorise, be party to or be directly or indirectly involved in bribery or corruption in any form in connection with Sydney Airport's business. This prohibition applies in all dealings, whether with public officials or private individuals.

**Bribery** is the offer, promise, payment or provision of a benefit intended to improperly influence the performance of a person's duty or to encourage the misuse of authority. Bribes can take many forms including:

- cash payments, whether by employees or by Third Party Associates
- gifts and excessive entertainment / hospitality
- travel benefits
- charitable contributions (which may be a bribe in disguise)
- secret commissions or "kickbacks"
- uncompensated use, or use on non-arm's length terms, of Sydney Airports' or other parties' services, facilities or property
- "Favours" provided to public or government officials or key employees or family members of business partners

Bribery is a criminal offence in most countries including Australia. In addition, Australia has anti-corruption laws which apply to the actions of individuals and companies even when they take place abroad. A breach of these laws can lead to severe penalties for individuals and companies.

**Corruption** is the abuse of a position of trust for personal gain for themselves, another person or entity.

#### 4.3. Facilitation payments, secret commissions, money laundering and sanctions

Making, paying or procuring facilitation payments or secret commissions by an Employee or Third Party Associate is prohibited in connection with Sydney Airport's business, as is any activity in relation to, or connected with, money laundering or breach of sanctions laws.

**Facilitation payments** are generally unofficial payments made to public officials to expedite or secure the performance of a routine government action. Examples may include payments made to a public official to obtain permits, licences, approvals or other official documents, expedite custom clearances or obtain or expedite entry or exit visas.

**Secret commissions** occur when a person or entity offers or gives a commission to an agent or representative of another person that is not disclosed by that agent or representative to their principal.

**Money laundering** is receiving, possessing, concealing, disposing of or importing money if the money is the proceeds of crime (or there is a risk that the money will become an instrument of crime).

Sydney Airport prohibits the making of any payment or engaging in any transaction that is in breach of Sanctions laws. This includes:

- providing or receiving any payment, other benefit, goods or service, directly or indirectly from any individual or entity that is subject to Sanctions laws
- any activity in connection with a designated country, where that activity is prohibited by Sanctions laws
- encouraging, permitting or otherwise allowing any person or entity acting on behalf of Sydney Airport to engage in any conduct or transaction that is prohibited by Sanctions laws
- any action intended to circumvent prohibitions imposed under Sanctions laws.

Sydney Airport expects that Third Party Associates comply with all Sanctions laws.

**Sanctions laws** means all laws which restrict trade or prohibit other transactions with particular countries, individuals or entities imposed by the United Nations, Australia or any other applicable jurisdictions from time to time.

#### 4.4. Exception to protect personal safety

A payment made to protect a person's safety against immediate or implicit danger to personal safety is permitted. This must be reported at the first available opportunity to that person's manager and the Group Executive Government Relations, Sustainability & Legal.

### 5. Gifts and benefits

Employees must ensure that all business relationships are conducted with the highest professional integrity and meet legal requirements. Sydney Airport's Gifts and Benefits Policy sets out the principles and permitted practices for accepting and offering benefits.

Employees must record all gifts in the gifts and benefits register in accordance with the Gifts and Benefits Policy.

### 6. Political and charitable contributions and sponsorships

#### 6.1. Political contributions

Sydney Airport is committed to engaging government in a balanced, responsible, ethical and transparent way to meet the objectives of Sydney Airport.

No political contributions may be made by or on behalf of Sydney Airport to any political party, government official, political candidate in Australia or overseas, except as otherwise permitted by this policy and subject to compliance with the Political Contributions Procedure.

All political contributions must be compliant with State, Federal and foreign laws (as applicable), including the disclosure of these events with the relevant regulatory bodies in the required timeframe (as required).

Employees must obtain prior approval from the Chief Executive Officer before making any political contributions, including involvement in any business-related event which is organised by, or on behalf of, a political party or candidate where a payment or an attendance fee is required.

All political contributions made by SYD must be transparent and documented in a register maintained by the Company Secretary.

Political contributions typically include:

- payments to attend fundraising events or functions and networking events with a political element
- direct money donations
- gifts-in-kind, such as free or discounted goods or services or the free or discounted use of premises or equipment.

## **6.2. Charitable contributions and sponsorships**

No sponsorship or partnership can be entered into on behalf of Sydney Airport nor any sponsorship, partnership or charitable payment be made without the approval of the General Manager Corporate Affairs.

Sydney Airport sponsorships, partnerships and charitable contributions should align to Sydney Airport's values and be based on a clear, mutual understanding of the purpose and ultimate objectives of both parties.

Sponsorships, partnerships and charitable contributions must be legal and ethical under local laws and practices. Appropriate enquiries and checks must be undertaken on proposed recipients of charitable contributions, sponsorships and partnerships in accordance with the Third Party Due Diligence Procedure. For charitable organisations, this means that an organisation must have deductible gift recipient status with the Australian Taxation Office.

All charitable contributions, sponsorships and partnerships must be transparent and documented in a register maintained by the General Manager Corporate Affairs.

## **7. Third Party Associates**

Appropriate enquiries and checks must be undertaken on Third Party Associates in accordance with the Third Party Due Diligence Procedure.

Third Party Associates are third parties with which Sydney Airport does business or that interact with others on behalf of Sydney Airport and includes, service providers, agents, suppliers, intermediaries, consultants, representatives and advisers.

Third Party Associates must be reputable, qualified and competent. Arrangements with Third Party Associates must comply with all applicable laws, Sydney Airport policies and procedures. Any compensation or payment must be on reasonable commercial terms.

Employees must not use a Third Party Associate to do something that Sydney Airport is prohibited from doing. Employees must not give or promise anything of value to a Third Party Associate if there is a foreseeable risk that the business partner will engage in prohibited conduct on Sydney Airport's behalf.

## **8. Record keeping**

Employees must keep financial records and have appropriate controls in place to evidence the business reason for making payments to third parties. All expenditures must be properly authorised in accordance with the Board Delegations Policy and accurately and transparently recorded.

Employees must comply with the recording, reporting and approval requirements of Sydney Airport's Gifts and Benefits Policy, Corporate Credit Card Policy, Board Delegations Policy and other relevant policies and procedures that support this policy.

No entry may be made in Sydney Airport's records that distorts or disguises the true nature of any transaction.

## **9. Reporting breaches and suspicious behaviour**

Employees and Third Party Associates have a responsibility to help prevent, detect and report fraud, bribery and other forms of corrupt conduct or activities.

The Sydney Aviation Alliance Holdings Pty Ltd Board and/or the Audit and Risk Committee reviews all material matters reported under this policy in a fair, impartial and objective manner, including the results of any investigations.

### **9.1. Making a report**

If you are aware of, concerned about or suspect an activity may be in violation of this policy you must report the matter to your manager, General Manager, Chief or to the Group Executive Government Relations, Sustainability & Legal. You must also report if you are asked to engage in any illegal activity. Third Party Associates should report concerns to their SYD relationship manager.

When making a report, you must have reasonable grounds to suspect that the information is true. In these circumstances, you will not be penalised if the information is found to be incorrect.

This policy is supported by Sydney Airport's Whistleblower Policy. If you are not comfortable, for any reason, with making a report through the channels outlined above, the Whistleblower Policy outlines methods by which reports can be made and protections and support that may be available to you.

Sydney Airport is committed to ensuring that persons who make a report are treated fairly and do not suffer detriment. Sydney Airport prohibits any form of detrimental treatment against a person who has made a report in accordance with this policy or the Whistleblower Policy.

### **9.2. Help with this policy**

You should consult with the Company Secretariat or the Risk teams if you need information as to how this policy works and what it covers.

## **10. Investigations**

Sydney Airport will assess all allegations of fraud, bribery and corruption as soon as practicable after a report has been received. If required, an appropriate investigator will be appointed. An investigator may be internal or an external service provider. The nature and scope of an investigation will also have regard to any technical, financial, legal or other expert advice that may be required to support the investigation.

Investigations will be carried out in a timely manner and must be objective, fair and independent of the person making the report and any person or business unit who is the subject to the report. Investigators will keep appropriate records including of interviews conducted and information received which affects the outcome of the investigation.

Regulatory reporting obligations may arise if a bribery or corruption incident occurs.

## **11. Consequences of a breach of this policy**

A breach of this policy may be regarded as serious misconduct leading to disciplinary action, including termination of employment or contract. A breach of this policy by Third Party Associates, may result in their contract being terminated.

A breach of this policy may also expose an individual or entity to serious criminal and civil liability.

Where permitted by law, Sydney Airport will seek the recovery of money or property stolen or fraudulently obtained through:

- relevant provisions in the proceeds of crime legislation in the jurisdiction in which the offence was committed; and
- civil remedies in the relevant jurisdiction in which the fraudulent, illegal or corrupt activity was undertaken.

## **12. Availability, training and review**

### **12.1. Availability**

This policy is available on Sydney Airport's Website.

### **12.2. Training**

Sydney Airport seeks to foster a culture of continuous improvement. Regular training will be provided to employees in relation to the application and operation of this policy including how to recognise and deal with bribery and corruption.

### **12.3. Review**

Sydney Airport will review this policy as required and at least every two years to ensure that it remains effective and to assess whether any changes are required. Any amendments to this policy must be approved by the Sydney Aviation Alliance Holdings Pty Ltd Board except for minor or administrative updates and amendments, which may be approved by the Company Secretary or the CEO.

## **13. Related policies and procedures**

This policy is supported by the following policies and procedures:

- Code of Conduct
- Gifts and Benefits Policy
- Whistleblower Policy
- Procurement Policy
- Supplier Code of Conduct
- Travel and Expense Policy
- Guide to managing conflicts of interest
- Third Party Due Diligence Procedure
- Political Contributions Procedure