

Anti-Bribery and Corruption Policy

1. PURPOSE

Baby Bunting is committed to the observance of all laws and the highest ethical standards.

Bribery and the related improper conduct referred to in this policy are serious criminal offences for both the company and any individuals involved. They are also inconsistent with Baby Bunting's values as set out in Baby Bunting's Code of Conduct.

If any individuals within Baby Bunting are involved in bribery or corruption, serious criminal and civil penalties may be incurred, and such involvement may also cause reputational damage for Baby Bunting.

The purpose of this policy is to:

- (a) set out the responsibility of Baby Bunting and its team members in observing and upholding the prohibition on bribery and related improper conduct; and
- (b) provide information and guidance on how to recognise and deal with instances of bribery and corruption.

This policy applies to all Baby Bunting's personnel including directors, officers, employees, contractors and consultants who act for us (**Baby Bunting Team Members**).

2. POLICY

Baby Bunting Team Members must:

- (a) understand and comply with this policy;
- (b) not **give, offer, accept** or **request** bribes, facilitation payments, secret commissions or other prohibited payments or engage in money laundering or cause any of them to be given, offered, accepted or requested;
- (c) not approve any offers, or make, accept or request an irregular payment or other things of value, to win business or influence a business decision in favour of Baby Bunting;
- (d) comply with any reporting and approval processes for gifts, entertainment or hospitality;
- (e) not:
 - (i) offer any gifts, entertainment or hospitality to; or
 - (ii) receive any gifts, entertainment or hospitality from, public or government officials or politicians, without approval from Baby Bunting's Compliance Officer;
- (f) obtain required approvals for donations and sponsorships;
- (g) maintain accurate records of dealings with third parties; and
- (h) be vigilant and report any breaches of, or suspicious behaviour related to, this policy.

3. APPLICATION AND IMPLEMENTATION OF THIS POLICY

Further details on key concepts and how this policy applies and is to be implemented is set out below.

Bribery

Bribery is the act of offering, promising, or giving a benefit to another person where the person does so with the intention of influencing a public official in the exercise of his/her duties. Merely offering or causing the offer of a bribe will usually be sufficient for an offence to be committed.

Bribery can take many forms. The benefit that is offered, promised, given or accepted may be monetary or non-monetary. For instance, it may involve non-cash gifts, political or charitable contributions, loans, reciprocal favours, business or employment opportunities or lavish corporate hospitality.

Bribery may be direct or indirect, for example where:

- (a) a person procures an intermediary or an agent to make an offer which constitutes a bribe to another person; or
- (b) an offer which constitutes a bribe is made to an associate of a person who is sought to be included.

Examples of “red flags” indicative of bribery or corruption are set out in **Annexure A**.

Requirement: Baby Bunting Team Members must not give, offer, promise, accept or request a bribe and must not cause a bribe to be given, offered, promised or accepted by another person. Under no circumstances will Baby Bunting approve of any offer, or make, request or receive an irregular payment or other thing of value, to win business or influence a business decision in Baby Bunting’s favour.

Facilitation payments, secret commissions and money laundering

Facilitation payments are typically minor, unofficial payments made for the sole or dominant purpose of securing or expediting a routine government action of a minor nature by a government official or employee.

Secret commissions involve the dishonest or corrupt giving of a benefit to or receipt of a benefit from another person as an inducement or reward for providing a favour, or for a favour already provided. Secret commissions typically arise where a person or entity (such as an employee of supplier to Baby Bunting) offers or gives a commission to an agent or representative of another person (such as an employee or agent of Baby Bunting) that is not disclosed by that agent or representative to their principal. Conversely, a secret commission may arise where a Baby Bunting Team Member offers or gives a commission to an agent or representative of a supplier, that is not disclosed by that person to their principal.

Money laundering is the process by which a person or entity conceals the existence of an illegal course of income and then disguises that income to make it appear legitimate.

Requirement: The making of facilitation payments, secret commissions and money laundering by Baby Bunting Team Members is also prohibited.

Gifts, entertainment and hospitality

Baby Bunting recognises that accepting or offering gifts, entertainment or hospitality of moderate value is customary and in accordance with common business practices.

The practice of accepting or offering gifts, entertainment or hospitality varies between countries, regions and industries. What may be normal and acceptable in one may not be in another. It is a matter to be approached conservatively and prudently by Baby Bunting Team Members.

Acceptable monetary limits

Requirement: Gifts, entertainment and hospitality may only be accepted or offered where the value of the item is within the **acceptable monetary limits** specified in Baby Bunting’s rules published for this purpose (as varied from time to time).

In addition to complying with acceptable monetary thresholds, gifts, entertainment or hospitality may only be offered or accepted where the following conditions are met:

- (a) it is done for the purpose of general relationship building only;
- (b) it cannot reasonably be construed as an attempt to improperly influence the performance of the role or function of the recipient;
- (c) it complies with the local law of the place in which the expenditure is made;
- (d) it is given in an open and transparent manner;
- (e) it does not include cash, loans or cash equivalents (such as gift certificates or vouchers).

Gifts, entertainment or hospitality must not be offered to, or accepted from, public or government officials or their associates, including politicians or political parties, without approval from the Compliance Officer.

Recording details of the gift, etc on the GEH register

Requirement: Baby Bunting Team Members must record details of any gift, entertainment or hospitality they receive on the Baby Bunting gifts, entertainment and hospitality register (**GEH register**) where the monetary value meets the threshold for recording. If required by the procedures set out in the GEH register, they must also notify the Compliance Officer.

The Compliance Officer may obtain further information from Baby Bunting Team Members to verify that the conditions set out above are met in relation to any gifts, entertainment or hospitality that is recorded on the GEH register.

It may be a breach of this policy if gifts, entertainment or hospitality are provided to a single individual or organisation on multiple occasions.

It may also be a breach of this policy if gifts, entertainment or hospitality are received in a context that makes them inappropriate (for example, the provider is in the process of a competitive tender for the relevant division / business unit). It is not permissible for Baby Bunting Team Members to accept gifts, entertainment or hospitality from a supplier who is participating in a current tender process.

Political and charitable donations

All dealings with politicians and government officials which relates to Baby Bunting's business activities must be conducted at arm’s length and with the utmost professionalism to avoid any perception of attempting to gain an advantage.

Baby Bunting may choose to make donations to political parties. Any decisions must be made by the Board of Baby Bunting Group Limited and disclosed as required by law.

Baby Bunting may make charitable donations that are legal and ethical under local laws and practices. In some countries, charities can be used as a screen for illegal bribes. Accordingly, care must be taken to ensure that the charity or cause is legitimate.

A charitable donation may only be offered or made in accordance with Baby Bunting’s Delegation of Authority Policy, and with the prior approval of the Compliance Officer.

Maintain accurate records

It is important that where Baby Bunting engages a third party, it implements appropriate controls to ensure that the actions of the third party will not adversely affect Baby Bunting. For this purpose, a third party may include suppliers, distributors, actual or potential agents or contractors.

Third parties that pose particular risk to Baby Bunting of breaching anti-bribery laws include those that operate in developing or emerging economies and are involved in negotiating any business arrangements or transaction with the public or private sector on behalf of Baby Bunting.

The Compliance Officer is responsible for determining which third parties require specific anti-bribery controls. The Compliance Officer will make that determination having regard to this policy and the nature and location of the work being undertaken by those third parties.

Specific anti-bribery controls are set out in **Annexure B**.

Acquisitions and joint ventures

Prior to any acquisition of a new company or business, anti-bribery due diligence must be undertaken.

Reporting breaches and suspicious behaviour

Baby Bunting Team Members must report any breaches of, or suspicious conduct in relation to, this policy. This includes behaviour that makes Baby Bunting Team Members feel threatened or under pressure to engage in improper conduct. Reports should be made to the Compliance Officer (Baby Bunting also has a Whistleblower Hotline that can be used for anonymous reports.)

The Compliance Officer must report to the Board material breaches of this policy.

Consequences of a breach

A breach of this policy by Baby Bunting Team Members may be regarded as serious misconduct, leading to disciplinary action, which may include termination of employment. Breach of this policy may also expose an individual to criminal and civil liability and could result in imprisonment or in the imposition of a significant financial penalty.

Anti-bribery training

Training will be provided to Baby Bunting Team Members whose responsibilities and functions are reasonably likely to expose them to anti-bribery and corruption risks.

Review of this policy

This policy will be reviewed periodically.

ANNEXURE A – POTENTIAL RISK SCENARIOS: “RED FLAGS”

The following is a list of bribery and corruption “red flags” that may arise during the course of working for or providing services to Baby Bunting. The list is illustrative only and is not intended to be exhaustive.

If you encounter any of the following, you must report them promptly in accordance with the requirements of this policy.

1. You learn a third party engages in, or has been accused of engaging in, improper business practices.
2. You learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them.
3. A third party insists on receiving a commission or fee payment before committing to sign up to a contract with Baby Bunting, or carrying out a government function or process for Baby Bunting.
4. A third party requests payment in cash and/or refuses to sign a formal commissions or fee agreement, or to provide an invoice or receipt for a payment made.
5. A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business.
6. A third party requests an unexpected additional fee or commission to “facilitate” a service.
7. A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services.
8. You learn that a colleague has been taking out a particular supplier for very expensive and frequent meals.
9. A third party requests that a payment is made to “overlook” potential legal violations.
10. A third party requests that Baby Bunting provide employment or some other advantage to a friend or relative.
11. You receive an invoice from a third party that appears to be non-standard or customised.
12. A third party insists on the use of side letters or refuses to put terms agreed in writing.
13. You notice that Baby Bunting has been invoiced for a commission or fee payment that appears large given the service stated to have been provided.
14. A third party requests or requires the use of an agent, intermediary, consultant, distributor or suppliers that is not typically used by or known to Baby Bunting.
15. You are offered an unusually generous gift or offered lavish hospitality by a third party.

ANNEXURE B – PROCEDURES FOR THIRD PARTIES

Baby Bunting will consider the following procedures in relation to “high risk third parties” (ie parties that display one or more the bribery and corruption “red flags” listed in Annexure A or any other factors that give rise to a bribery or corruption risk):

- (a) communicate the relevant anti-bribery policies to all high risk third parties;
- (b) undertake sufficient due diligence to ensure that it is appropriate for the high risk third party to represent Baby Bunting;
- (c) raise any issues of concern or “red flags” with the relevant line manager and the Compliance Officer. High risk parties must not be engaged if issues identified in due diligence cannot be satisfactorily resolved;
- (d) ensure that any contractual arrangements with a high risk third party include standard terms approved by the Legal team concerning anti-bribery and other issues addressed by this policy; and
- (e) ensure Baby Bunting Team Members have oversight of the work of the high risk third party.